

The ongoing impacts of Covid-19 in Scotland's rural and island communities

Summary report, March 2022

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Highlights

What were we trying to find out?

We wanted to learn about the ongoing impacts of the Covid-19 pandemic on rural and island communities, what approaches have worked well and not so well, future opportunities and challenges, and the most effective ways forward for recovery, reflecting on the fact that much has changed in the 12 months since the first report was published.

What did we do?

We conducted follow-up interviews with a group of the rural and island stakeholders we originally spoke to in summer 2020, spanning a range of geographies and interests.

What did we learn?

Communities: Although communities have responded well to the Covid-19 pandemic, they are now facing burn-out and require support more than ever.

Economy: While there are positive signs for the rural economy, such as working from home and an appetite to start entrepreneurial activity, there was a worry that the rural economy needs to become more diversified and that the full economic impacts are still to be realised. For example, measures put in place in response to the Omicron variant had a profound impact on the resilience and survival of many rural businesses.

Environment: Interviewees noted that the climate crisis still requires a rapid and radical response. This could bring benefits to rural and island communities in the form of building local expertise to deliver new technologies, which was expected to result in employment opportunities for young people.

Migration: There is evidence of migration to rural and island communities, however this has brought challenges, such as housing availability and affordability and questions about the benefits to local communities and economies.

Digital: The pandemic has led to the mass movement of activities online, enabling organisations to reach remote and island communities more easily and effectively. Interviewees were generally optimistic about this trend but underlined the urgency of bridging digital divides.

Mental health: More attention was given to this theme in the follow-up interviews, with increased concern about the ongoing impact of the pandemic on mental health. Some progress has been made in responding to this increased demand on mental health services but there was concern that the full impacts have yet to be realised.

Government response (including funding mechanisms): The Scottish Government response was broadly praised, with interviewees recognising numerous policy developments during the pandemic, which will assist communities in their recovery. However, there was concern that these instruments could be better joined-up to maximise benefits.

What do we recommend?

Our interviewees suggested the following modifications and additions to the original recommendations, based on their experiences during the intervening period:

1. Build on existing/new partnerships to bring together policies from different sectors and support community anchor organisations.
2. Retain and enhance digital connectivity opportunities.
3. Continue to support diversification of the rural economy, including away from its dependency on tourism.
4. Enhance the knowledge base about local-regional vulnerabilities and differences and ensure that these are embedded in policy.
5. Retain a flexible, targeted and responsive approach to financial support, with simplified funding requirements.
6. Put in place the infrastructure and resources that are needed to unleash and support community-led action and build wellbeing economies from the bottom up.
7. Encourage and support young people to move to and stay in rural and island communities, focusing on access to jobs (including decentralisation of public sector jobs), apprenticeships, affordable housing and crofts.
8. Support small, adaptable local businesses.
9. Encourage strategic partnerships at different scales that deliver place-based solutions.
10. Provide services to support the ongoing impact of the pandemic on mental (and physical) health.

Methods

In July and August 2020, researchers from the James Hutton Institute and SRUC interviewed 26 stakeholders from a variety of sectors and representing a breadth of rural and island interests, to understand the impact of the Covid-19 pandemic. Analysis of these interviews, together with the findings of other research methods, were distilled into the report [Understanding the response to Covid-19 - Exploring options for a resilient social and economic recovery in Scotland's rural and island communities](#).

Since then, the impacts of the pandemic have continued including restrictions to how we live our lives still in place in two years later in March 2022, bringing further social and economic change. To understand how these ongoing impacts are affecting rural and island communities and how plans for recovery are materialising, the James Hutton Institute researchers conducted follow-up interviews in February 2022 with deliberative selection of the original interviewees; a subset of interviewees was selected rather than the whole group to minimise stakeholder fatigue. Eight interviews were conducted with stakeholders who were felt to represent a range of views and experiences relating to the pandemic uncovered in the first round of interviews while maintaining a spread of sectors, scales and geographies and who articulated views about what the future might look like.

Interviews were conducted using video-conferencing software (WebEx), and were audio recorded and transcribed. Interviewees were sent the nine recommendations emerging from the first report in advance of the interview, to give them time to reflect on whether there was anything they would emphasise, remove or add. During the interview, the researcher recapped on what was covered in the previous interview and encouraged the interviewee to reflect on what has changed since then, what has worked well and not so well, their thoughts on the future, and any modifications they would make to the recommendations.

The research was given ethical approval from the James Hutton Institute Research Ethics Committee and received Social Research Approval from the Scottish Government.

The main themes emerging from the interviews centred around communities, economy, environment, migration, digital, mental health and the Government response. These are outlined in more detail below, followed by interviewees' reflections on and updates to the recommendations.

Communities

The pandemic has prompted rural and island community groups to work together more, bringing together a wide range of local groups. It has also highlighted the role that networks of community actors can play in responding to crises, deploying local knowledge to create solutions to local needs and seizing the opportunity to re-think what sort of community they want.

Some islands were observed to have responded especially strongly by drawing on a culture of neighbourliness and experience of dealing with unexpected obstacles. It was felt that the enthusiasm and capability of rural and island communities has been noticed by the Scottish Government, and the appointment of a Cabinet Secretary for Rural Affairs and Islands has been welcomed. Looking to the future, many communities have taken the opportunity to consider what sort of place they want to (re)build and have re-evaluated their priorities, often with a focus on community wealth-building. Resilience groups that were established in response to Covid-19 are now also considering the challenges posed by Brexit, climate change and rural poverty. Some new community projects, for example in renewables, are attracting a younger constituency of board members and volunteers than pre-Covid.

However, the high levels of neighbourliness and community cohesion witnessed in the early stages of the pandemic have not been sustained. This is in part due to "burnout" in community groups following the pressures put on them by responding to Covid19-, and by the stress of seeking funding for the additional support they have been providing. Community boards and resilience groups are seeing volunteers wanting to step down. Frontline workers, too, have been enormously stretched and stressed by the pandemic, leading to the loss of key posts that cannot easily be replaced. Rural and island communities have become more aware of their vulnerability to disease and the threat posed by visitors, in some cases leading to fear and a sense of disempowerment. Building resilience should therefore be a key focus going forward.

Looking ahead, rural communities lack an overall integrated narrative of cohesive goals and learned insights that can be used to plan for the future. The resilience displayed during the pandemic needs to be backed up by making it easier for these communities to get the support and access the funding that they need. It is also imperative that more attention is paid to leadership in communities, and that skills are developed which capitalise on the knowledge already in communities. There is also a need to recognise that rural communities don't have the same policy support as island communities. Island communities have got used to a greater degree of control, and there is demand for more support for local grassroots organisations, and more devolved decision making.

Economy

Initial lockdown restrictions hit some industries, such as fishing and tourism, especially hard, and the economic impact was felt more heavily in areas where these industries are prevalent, with poverty and inequality on the rise. Notably, crofters found it difficult to access basic goods, services and labour. Interviewees felt that the approach to diversification has been sectoral and high level, whereas it should really be about building resilience at the micro level by enabling people to have portfolios of work. This requires more support, including adding value to supply chains through collaboration, reducing dependency on tourism, and addressing the fact that banks are becoming less interested in investing in small businesses. The Scottish Government's Rural Entrepreneur Fund was welcomed but was felt to have been slow to take shape.

Generally, businesses that survived the tough initial hit of lockdown restrictions were able to diversify and recover well, however the arrival of the Omicron variant caused a crisis situation for many businesses, and there was felt to be a significant gap before Government funding became available. The closure of enterprise agency helplines during this period, which fell over Christmas and New Year 2021-22, was felt to send a message to those seeking support that they are "on their own".

On an individual level, people have been re-evaluating their priorities and work-life balance and making changes. Some have chosen to scale back their work commitments, for example by working less overtime, giving up their business activities or taking early retirement. Others have started new businesses, and there has been a growth in online shopping and use of digital platforms (e.g., the Open Food Network, the Big Barn network) to showcase regional and local produce to a wider market. Among rural and island businesses, there appears to be greater emphasis on working together for everyone's benefit by outsourcing work and strengthening relationships and infrastructure.

It is important to consider the impacts of Covid-19 alongside those of Brexit and rising fuel prices, which have converged to present a range of economic challenges. It was felt to be too early to fully understand the economic implications of these shifts for rural economies, although some felt that the opportunity presented by the pandemic to transition the economy has been largely unfulfilled.

Environment

Covid-19 is not the only crisis affecting rural and island communities, and it is vital that the climate emergency is responded to rapidly and radically. Interviewees felt that the response should focus on making homes more energy efficient, localising food economies, and investing in training, apprenticeships and education for making, installing and upkeeping renewable energy systems and insulation, so that this expertise exists locally and can be accessed quickly. There is an opportunity to understand and deliver what the younger generation wants in relation to environmental behaviour, for example buying locally and space for growing food. It was felt that NPF4 is not strong enough on climate change and biodiversity.

Migration

People have been migrating from cities to rural and island communities, enabled by digital connectivity (where present) and a new culture of remote working. However, this is not addressing long-term concerns around depopulation, with rising house prices and the increasing cost of building materials curtailing new builds. Young people are being further priced out of the rural housing market, unable to benefit from new opportunities to work from home, and in some places rural employers have had difficulty recruiting staff due to accommodation shortages. Some young people have

decided to stay in rural communities rather than leave for university, but this may change when the university experience returns to “normal”.

These trends are raising concerns that pre-existing demographic profiles are being amplified by gentrification and “geriatrification”. There is also concern that inward migration may not be happening in some of the places that would benefit most, such as small islands, where both the pandemic and recent storms have highlighted the challenges of living there. Where there has been an influx of people of working age, this is not necessarily benefiting local economies, with new residents bringing jobs with them rather than generating local employment. Generally, interviewees felt that there have been missed opportunities to encourage young people to stay in or move to rural and island communities by being more radical in relation to housing, micro businesses and planning.

Digital

The pandemic prompted a mass and sustained movement of activities online and many people have become more confident using digital apps to access services. The normalisation of working from home is seen by some as a “silver lining” of the pandemic, leading to greater trust between employers and employees, and by others as a source of stress, especially those with caring responsibilities. While some value has been lost compared to meeting face-to-face, digital connectivity has enabled organisations to engage with more people and increase their geographical scope to be more inclusive of remote and island communities, which are costly to visit in person. In some cases, this reach has been capitalised on by the Scottish and UK Governments to find out about emerging issues. There has been growth in online shopping (including at a local level) and using digital platforms for showcasing regional and local produce (e.g. Isle20.com and Green Bowl on the Open Food Network).

Overall, the shift towards digitalisation was felt to offer great promise for the revitalisation of rural areas, but it has crystallised the need for fast and reliable digital connectivity where it is currently lacking to avoid communities being “left behind” and individuals being excluded. Interviewees emphasised that this must be a priority for the Scottish Government going forward and may require radical thinking to overcome barriers. For example, although there has been a recent Scottish Government initiative to get 9,000 people online, it was suggested that demand is far higher than this. Additionally, insufficient time has been allowed for the R100 rollout, which has led to a compressed period for application and installation. There was also a call for more spaces for working remotely outwith the home, for example through office hubs, for rural and island places to be able fully to capitalise on this trend.

Mental health

Mental health and wellbeing issues were known concerns during the Covid-19 pandemic, with an increase in rates of depression and research by Generation Scotland showing that marginalised communities (e.g. LGBTI, refugees and migrant workers) and young people have been disproportionately affected. The immediate reduction in visiting family, friends, neighbours and loved ones contributed to people’s sense of isolation and an overall reduction in mental wellbeing. Whilst not a distinctly rural problem, the typical older age of crofters and their residence often in remote rural areas has compounded the impact of lockdown. In addition, minority groups, children and adolescent mental health services were already struggling prior to Covid-19 and this has led to a significant backlog in service provision with the NHS.

Positively, organisations that were not previously thinking about mental health now are and the Scottish Government was felt to have reacted quickly to include mental health stakeholders in discussions, and the Mental Health Transition and Recovery Plan has a rural dimension, however there is still a long way to go. It was also noted that the the Scottish Government (but not the UK Government) decided to halt mental health training during the Covid-19 pandemic. The budget for mental health services was increased and pilot programmes accelerated and rolled out nationally; notably, Support in Mind Scotland has a rural community engagement fund (pilot) to ensure that mental health initiatives reach the communities where they are most needed. Effective mental health training has also been developed that can be delivered online. Within communities, the easing of lockdown restrictions has brought an increased interest in community gardens, which are providing benefits to mental wellbeing. An important aspect of community resilience is supporting people within the community that are experiencing poor mental health.

Looking ahead, interviewees were concerned that we have not yet seen the worst of the mental health impacts of the pandemic, which will have a “long tail”, with post-traumatic stress becoming a serious issue and additional stressors such as increases in the cost of living, fuel poverty and the financial strain on small businesses adding to the mix. There is a need to make mental health and wellbeing everybody’s concern, training businesses, public agencies and community groups in how to support people with mental health difficulties and to “mental health-proof” their decisions. There is a good deal of excellent practice in the mental health sphere that needs to be shared.

Government response

The Scottish Government response to the pandemic has been praised, especially given its degree of autonomy from the UK Government. Communication between the Scottish Government and stakeholders has generally been prompt, effective and well-received: the Government responded quickly in arranging communication channels and regular meetings with island, rural, community and mental health stakeholders, which generally have continued, creating a culture of collaboration and a sense of trust. The islands are now represented by a Cabinet Secretary (Mairi Gougeon), who also represents rural interests, which is seen as important progress, and it was felt that the Scottish Government Islands Team has communicated well with island representatives.

It was noted that UK Government’s economic strategy is very limited for rural communities, and that the Scottish Government’s “quite embryonic” Regional Economic Partnership models do not fully consider rural areas. Current governance approaches were felt to be hindering progress in terms of targeting inequalities and fairer practice because existing macro partnerships are very public sector-led and include local authorities, and there is nothing in-between them and community groups such as Local Action Groups. There was recognition that the Scottish Government has been making progress on economic policy in the last year, including consideration of replacement LEADER funding, community wealth building and the National Strategy for Economic Transformation. These mechanisms need to be better joined up to maximise benefits to rural communities.

Whilst it was favourable to see the islands being recognised in the official ministerial post for rural affairs, there is still a need to improve recognition of the diverse needs of different islands and rural areas on the mainland. This was seen in the Scottish Government’s handling of tourism, with a perceived lack of clear messaging from the Government adding to tensions arising between local residents, tourists and visitors to remote rural areas. Some tourism businesses felt forced to open to visitors sooner than they wanted (as part of the Scottish Government desire to move in “one step”). Visitor management and control measures were not perceived to be in place at all and complaints about “*busloads of people...walking about in our villages and small towns*” were not uncommon. This was not restricted to tourists from outside the UK; a rise in “staycations” across the UK saw the Highlands and Islands attracting a much larger than average number of visitors. This increase also led to tensions between different land users and non-resident visitors seeking open spaces to enjoy the outdoors. There has been a notable rise in livestock worrying from dogs not kept on leads and instances of verbal confrontations between crofters and visitors traveling by car knowingly or unknowingly blocking access to their land. Police Scotland and the Scottish Partnership Against Rural Crime (SPARC) have been noted for pushing awareness of the Access Code and providing reminders in tourist areas to park in designated places only, take litter home, keep dogs on leads around livestock and to be mindful that much of the countryside is working land. However, further education and awareness about these issues is still needed.

The pandemic was seen as an opportunity to reconnect communities with government, to connect local and national government better, and to join up agendas to drive a wellbeing economy. It was felt that policy needs to be better joined up to deliver rural repopulation, e.g. the National Planning Framework doesn't seem to recognise that a decreasing working age population in rural areas is unsustainable in the long term. In terms of joined up working across policy sectors, this is still not working well. Existing governance systems have been constraining rather than enabling as they have been unable to provide necessary rapid responses or the required flexibility to meet their communities’ needs.

Funding

The Scottish Government’s financial support scheme was flexible and responsive, and although it took time to sort out some of its earlier issues, the interventions were effective for hard-hit industries (e.g., fishing). The relaxation of funding

requirements for community-led projects during Covid-19 was welcomed: where funding was given out that wasn't prescribed or top-down, communities were able to do what they needed to respond resiliently. Argyll & Bute's grant support scheme was seen to be especially effective in this regard, rapidly providing support with relatively little oversight.

There was a general desire to see more government support for bottom-up, community-led approaches, and a need to make sure that this benefits all communities, not just those with strong development trusts and income-generating mechanisms. The flexibility introduced by Scottish Government during the pandemic for community-led projects could be a model for the future, placing more trust in local organisations to know what needs to be done and to get on with doing it. Another suggestion was that funding could in future be allocated via a demand-led system based on community action plans, rather than a supply-led, application-based approach. It was felt important to ensure that new funding streams reach out to people who have previously been excluded, e.g. people living in poverty who do not live in deprived areas. As such, the Scottish Index of Multiple Deprivation (SIMD) is still viewed as not being an effective enough tool to identify communities in need of support in rural and island communities. Worry was voiced that, although a lot of support will be available through the Shared Prosperity and Levelling Up Funds, many rural and island areas are not equipped to deploy the funding to ensure a more just, fair way of building capacity.

There was a desire for more place-based decisions to be made, and some recent funding developments are supportive of this. The last year has seen a great deal of activity around Community-Led Local Development, community wealth building, the Rural Entrepreneur Fund, Island Bonds, community development funding, the Community Renewal Fund and the Scottish Government's National Strategy for Economic Transformation. The different funding streams are considered rather bewildering in their number and eligibility which has created a growing disparity between communities deemed successful and those less fortunate. It was felt that there is a need to align and streamline these funds to make them less complicated and difficult to navigate as this complexity can prevent money going to where it is needed. Furthermore, many community groups are currently lacking the time and resources to access funding due to the effects of burnout. To this end, it would be helpful to engage intermediary organisations to act as layer of governance between local government and above community councils / development trusts, facilitating greater communication and cohesion.

Reflections on the original recommendations

The rural and island stakeholders spoken to in February 2022 felt that the nine recommendations in the original report responded well to the challenges of the early Covid-19 period in Scotland, with potential to serve as a checklist for implementing new rural development actions. They offered some modifications and additional insights based on their experiences in the 18 months that had passed since the initial interviews.

1. Building on existing/new partnerships and supporting community anchor organisations. It was noted that rural and island grassroots organisations became accustomed to making decisions for themselves during the pandemic, but that these organisations needed more government support. This could be more readily achieved by bringing together policies from different sectors to address the needs of local communities (there is currently too much silo-ing).

2. Capitalising on and rewarding community spirit. This recommendation prompted the most reflection in the follow-up interviews. Social capital and access to support is unevenly distributed across rural communities and care should be taken not to disadvantage communities that are "left behind"; furthermore, community spirit has been depleted by the demands of responding to Covid-19. Interviewees felt that the onus should not be all on communities to deliver services, housing etc. Some communities would benefit from national or regional support to develop their ideas, while others may need external agencies to initiate ideas and work with local people to develop them, particularly those experiencing a spiral of demographic decline.

3. Encouraging and supporting young people to move to rural and island communities. This requires a focus on jobs, housing and availability of crofts. As well as encouraging in-migration, there also needs to be an emphasis on tackling existing problems of depopulation associated with the out-migration of young people.

4. *Retaining and enhancing digital connectivity opportunities.* Given the increased reliance on digital during the pandemic for communication and service delivery, it was suggested that this recommendation should be a higher priority, moving to second place.

5. *Supporting adaptable local businesses.* Interviewees felt that this recommendation should include an emphasis on small businesses, which are prevalent in rural Scotland.

6. *Strategic partnerships which deliver place-based solutions.* There should be recognition that strategic partnerships do not need to be large-scale; smaller-scale rural approaches can also be strategic.

7. *Continuing to support diversification of the rural economy.* This recommendation has risen in priority and should emphasise diversification away from dependency on tourism.

8. *Enhancing the knowledge base about local-regional vulnerabilities.* Add “and differences”: the pandemic has highlighted the differences between rural and island places and this needs to be better embedded into policy. This recommendation has also risen in priority.

9. *Retaining a flexible, targeted and responsive approach to financial support.* Funding requirements need to be less complex so that community groups can respond effectively. There is a need to map which communities have resources and which do not, to enable more targeted resourcing.

The following additional recommendation was suggested to account for the impacts of long Covid and the rise in demand for mental health services as a result of the pandemic:

10. *Provide services to support the ongoing impact of the pandemic on mental (and physical) health.*

Revised recommendations

1. Build on existing/new partnerships to bring together policies from different sectors and support community anchor organisations.
2. Retain and enhance digital connectivity opportunities.
3. Continue to support diversification of the rural economy, including away from its dependency on tourism.
4. Enhance the knowledge base about local-regional vulnerabilities and differences and ensure that these are embedded in policy.
5. Retain a flexible, targeted and responsive approach to financial support, with simplified funding requirements.
6. Put in place the infrastructure and resources that are needed to unleash and support community-led action and build wellbeing economies from the bottom up.
7. Encourage and support young people to move to and stay in rural and island communities, focusing on access to jobs (including decentralisation of public sector jobs), apprenticeships, affordable housing and crofts.
8. Support small, adaptable local businesses.
9. Encourage strategic partnerships at different scales that deliver place-based solutions.
10. Provide services to support the ongoing impact of the pandemic on mental (and physical) health.