

The Evolution of Rural and Island Policy in Scotland



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This report forms Deliverable 1.2 from SRUC-E2-2 Reimagined Policy Futures: Shaping sustainable, inclusive, and just rural and island communities in Scotland (<u>ReRIC</u>). It also draws on and informs the work being undertaken in SRUC-E1-1 Novel Insights on Scotland's Rural and Island Economies (<u>NISRIE</u>).

Executive Summary

What were we trying to find out?

This report provides a comprehensive review of policy interventions for Scotland's rural areas and islands since the 1950s. Based on this review, it provides some suggestions for how policies may evolve in future.

This review forms the basis of future work in both <u>ReRIC</u> and <u>NISRIE</u>. The former will explore three persistent challenges which have plagued many rural and island communities in Scotland for decades, namely a lack of affordable housing, demographic decline and exclusion and marginalisation and provide new insights on how these challenges may be tackled. The latter will gather and analyse data and provide new insights on Scotland's rural and island economies.

What did we do?

This review work had two elements. First, a desk-based study was undertaken of previous policy documents and of commentary about them from academics and others writing on this topic. Second, a small number of in-depth qualitative interviews was undertaken with people involved in rural policy and/or rural research issues in Scotland in recent years. These interviews were semi-structured, following a set of key themes, were recorded (with permission) and were partially transcribed for analysis.

What did we learn?

The two policy domains are somewhat contrasting. Rural policy has a long history and evolution going back to the period of agricultural recovery after the Second World War when rural policy was largely sectoral in nature. During the 1990s and 2000s several rural documents were issued, often associated with changes of Governments or Ministers, but they mainly set out high level guiding principles, with little real impact on the ground. Since 2010-11 and the introduction of the National Performance Framework, rural issues have been mainstreamed by Scottish Government.

While there have been no new rural documents, there have been specific interventions for rural areas (often as commitments in annual Programmes for Government), including the setting up of Scottish Rural Action and the biennial Rural Parliament events. In late 2022, two Cabinet Secretaries committed to implement light touch rural lens thinking on projects associated with the National Strategy for Economic Transformation and this will be extended to all policy domains. In April 2023, Scotland's First Minister committed to introduce a Rural Delivery Plan and a Remote, Rural and Islands Housing Action Plan by 2026.

Up until the UK left the EU, the influence of decision-making in Brussels on Scotland's rural areas (and islands) has been strong, including financially through the Common Agricultural Policy (CAP) and Regional and Structural Funds. While Scotland still lacks a dedicated rural vision and strategy, its rural (and island) communities have been impacted by legislative and policy change in other domains, including land reform, community empowerment and planning, and by policy and funding decisions made in Westminster.

In contrast, Scotland's islands have been the subject of dedicated legislation, a National Islands Plan and a commitment to undertake Islands Community Impact Assessments (ICIAs) since 2018. A biennial National Islands Plan Survey is also undertaken.

What do we recommend?

While the political and socio-economic climates have changed significantly, and rural and island communities are now experiencing new challenges and opportunities, there is still much that can be learned from previous rural interventions, and this history and experience should not be lost. As Scotland introduces its rural lens approach and expands this across all policy domains, learning from elsewhere – in terms of other countries as well as other policy domains, and particularly island proofing – will be critical to ensure the process is meaningful but not burdensome. Despite the UK's exit from the EU it is important that Scotland continues to engage with and be open to learning from rural policy approaches in other countries in Europe and beyond.



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1. Introduction

Rural areas make up 98% of Scotland's land mass and 17% of the country's population (Scottish Government 2021), while Scotland has 790 islands, 93 of which are inhabited (Scottish Government 2019). Since 2018, Scotland has had dedicated islands legislation in the form of the Islands (Scotland) Act 2018, a National Islands Plan has been published, and Islands Community Impact Assessments have been introduced placing a requirement on a range of organisations to screen their policy proposals for potentially different impacts across the country's diverse islands, and between island and mainland locations. The policy context for rural communities differs substantially as, while there have been various rural statements and visions published since 1995, Scotland still lacks a dedicated rural policy, strategy and vision, and the Government's approach to rural is mainstreaming:

"The Scottish Government acknowledges that key areas of policy such as the economy, transport, education and health can have a particular impact on rural communities, and seeks to reflect this in mainstream policy development." (Scottish Government 2021)

This report explores the evolution of rural policy in Scotland since the Second World War, with particular focus on the period since 1995. The key strategies are highlighted and outlined and, where evidence is available, their impacts are discussed. This evolution is compared to the much more recent history of place-based legislation for Scotland's islands. The report concludes with some reflections on how Scotland's rural and islands policies may evolve in future.

The report provides a valuable and comprehensive history of the evolution of policies for Scotland's rural and island communities. It also forms a key part of the underpinning knowledge base for our in-depth work in <u>ReRIC</u> on persistent rural and island challenges - affordable housing, demographic decline and out-migration, and exclusion and marginalised rural voices - which will take place over the coming years, and for linked work exploring the characteristics of rural and island businesses in <u>NISRIE</u>.

The evidence presented in this report was gathered from a desk-based review of the key policy documents and a small number of targeted interviews with individuals who have worked in rural (or related) policy areas and/or research in Scotland (and often elsewhere too) for several decades. The interviews received approval from SRUC's Social Science Ethics Committee and the Scottish Government's Social Research Approval process. The interviews were recorded with permission and partially transcribed with detailed note-taking afterwards. Thematic analysis of the notes and transcripts was undertaken to complement the information gathered from the desk-based analysis of the policy documents. These interviews proved to be hugely valuable in providing detailed insights

into the evolution of policy. Before reviewing the policies, the report draws on academic work to briefly discuss what rural policy is and its theoretical underpinnings.

2. What is rural policy?

This report starts by discussing what rural policy is. At face value that might seem to be a simple question but digging a little deeper reveals a good deal of complexity in how the question might be answered, depending on the relationship between rural and agricultural policies or between rural and urban areas in a country, or the extent to which a country has a dedicated rural policy or not. In some countries, rural itself may not be clearly defined and formal classifications not widely used. Bollman and Reimer (2022) argue that:

"Although there may be policies which are directed specifically at or to rural places or actors, few, if any, of them have outcomes which are exclusive to those places or actors."

Based on discussion at a Ministerial meeting in 2019, the OECD argues that:

"Rural policy is defined as all policy initiatives designed to promote opportunities and deliver integrated solutions to economic, social and environmental problems in rural areas through the valorisation of resources, promotion of their recreational, ecological and cultural heritage, as well as through improving manufacturing activities and public service delivery in close co-operation with subnational authorities while actively involving civil society and the private sector." (OECD 2019, emphasis in bold added)

A group of Canadian researchers who undertook a <u>pan-Canadian content analysis of</u> <u>rural-related provincial and territorial strategies</u>, plans and programmes in 2021 make reference to a rural lens in their description of rural policies:

"Rural strategies and plans serve to bring an important rural vision and lens to a wide range of public sector interventions and investments important to rural places and across its many complex dimensions—in a way that speaks to community diversity while recognizing the need for strategic actions. Rural development strategies are important not just for rural communities themselves, but for local/regional governance more broadly. Within the government/public sector, they serve to highlight rural considerations, complementing the 'rural lens' approach to Cabinet submissions for instance. Rural strategies identify opportunities and challenges for the future, signify strategic actions and investments, and signify multi-actor coordination, communications and engagement. Inherently, rural strategies have the challenge of navigating scale and diversity." (Krawchenko et al. 2021)

Reviewing rural policy in Scotland in the mid-2000s, Jordan and Halpin (2006) distinguished between 'primary' or 'dominant' and 'by-product' policies, with the latter being policies which make sense in the context of another policy. They asked, for example, is rural transport policy best seen alongside rural health and education policy as part of a primary rural policy, or as a by-product component of an overall primary transport policy? By-product policies give way to primary policies and a change in a by-product policy most often comes indirectly because of a change in a primary policy. For example, if rural transport is a by-product policy, then changing rural transport policy would involve changing transport policy. As a result of rural policy's usual status as a by-product policy, <u>Jordan and Halpin</u> argued that rural departments are policy-taking agencies which can only hope to marginally influence dominant policies. There is always the dilemma for rural policymakers of whether to have a standalone policy on rural development (i.e. differentiation) or to have a rural development part to other policy domains (i.e. integration).

These arguments are echoed by <u>Saraceno (2013)</u> who also argued (with reference to the EU level) that rural policies are hosted by other policy domains, including agriculture and regional policy, but are never a priority for any of them. Moreover, writing a decade ago, Saraceno argues that the "fragmented and residual" role of rural policies and the lack of a standalone rural policy is mirrored in the fact that there is no single coherent academic discipline producing research to inform rural policy formation based on one theoretical framework. She concludes therefore that the links between social science research and rural policy are particularly complex.

Most academics writing on this topic have concluded that rural policy is messy and vague (Jordan and Halpin 2006; Saraceno 2013; Shortall and Alston 2016; SAC Rural Policy Centre 2014; SRUC Rural Policy Centre 2016). It is not always clear what rural policy is, how it should look or what it should aim for. Moreover, rural policy-makers often face several challenges including:

- a lack of knowledge and use of formal rural definitions or classifications,
- the strength of the agricultural lobby contrasted with an often uncoordinated and diverse rural lobby, which means that rural is often narrowly equated with agriculture,
- a widening of scope of many formerly agriculture departments to rural departments without an equivalent increase in staffing and knowledge,
- that they have responsibility for policy areas where they do not have the policy instruments to deliver, nor the power to monitor outcomes. For example, as <u>Jordan</u> <u>and Halpin (2006)</u> argue, rural departments do not have responsibility for rural roads, rural houses, rural schools, or rural healthcare which results in challenges in constructing a rural policy,

- that rural is typically regarded as a geographic definition, but this does not easily translate to social and economic issues, combined with the fact that many policy issues are spatially blind (e.g. the need for more affordable housing everywhere), and policy arenas are siloed, without too much consideration of geography (hence the rationale for rural proofing), and
- that the 'traditional' core-periphery view of rural areas is that they are secondary to 'core' economic centres i.e. cities, and that cities is where the policy and financial focus should be, and the positive effects will trickle down to surrounding rural areas.

3. What are the key principles underlying rural policy?

Researchers (based in the global north) have argued that there has been a shift over the last few decades in terms of the theoretical principles underlying rural policy (see for example, <u>Lowe et al. 1995</u>; <u>Atterton et al. 2011</u>; <u>Shucksmith 2012</u>; <u>Ward et al. 2005</u>). In the post-war period up until the 1970s and 1980s in Europe and indeed across most OECD countries, an exogenous approach was said to dominate policy interventions for rural areas. Here, development in a local area is controlled externally with limited (if any) input for local people, local resources etc. Development is effectively 'done to' a place, rather than with or by a place, usually through a sectoral approach.

By the 1980s and 1990s, however, it was becoming clearer across OECD and EU countries that this approach was destructive, not least because it was damaging for local resources and traditions and it took away the agency of local people. As a result, a fundamentally different endogenous approach was increasingly advocated in both research and practice. Here, development is instigated internally, it is owned and controlled in a local area by local people, and a holistic territorial approach based on local resources is taken.

More recently, academics have argued that an endogenous approach to development is unrealistic. Rather, it is usually the case that local areas rely, at least to some extent, on extra-local networks and resources (including financial resources, advice, etc.) for their development as local capacity to participate varies considerably. Instead, a blending of top-down (exogenous) and bottom-up (endogenous) approaches was proposed to help overcome this, commonly defined as 'neo-endogenous development'¹. What is critical in

¹ Gkartzios, M. and Lowe, P., 2019. Revisiting neo-endogenous rural development. In *The Routledge companion to rural planning* (pp. 159-169). Routledge; Atterton, J., Newbery, R., Bosworth, G. and Affleck, A. (2011) Rural enterprise and neo-endogenous development, in Alsos, G. A., Carter, S., Ljunggren, E. and Welter, F. (eds). *The Handbook of Research on Entrepreneurship in Agriculture and Rural Development*, Edward Elgar: Cheltenham, UK; Ward, N., Atterton, J., Kim, T-Y., Lowe, P., Phillipson, J. and Thompson, N. (2005) Universities, the knowledge economy and neo-endogenous rural development, Centre for Rural Economy Discussion Paper Series No 3.

this neo-endogenous or networked model of development is that power and control are retained locally in this process of holistic, territorial development, which draws sustainably on local resources, but with financial contributions and political capital coming from Central Governments to help ensure success.

These principles are echoed in the OECD's work on rural policy, including the <u>New Rural</u> <u>Paradigm (NRP, 2006</u>) and its suite of national rural policy reviews (including <u>Scotland</u>, <u>see OECD 2008</u>) which explored the approaches taken to address the challenges and build the opportunities of rural areas in a number of different countries and compared them to the NRP's principles. These principles are:

- Focusing on places rather than sectors (such as agriculture) to encourage wider rural regeneration
- Focusing on investments rather than subsidies to achieve long-term benefits, and
- Devolving power and resources to communities to determine their needs and realise opportunities.

Having reviewed how rural policy has been defined and its key principles, this paper now turns to explore how rural policy has evolved in Scotland since the Second World War.

4. The evolution of rural policy in Scotland since the Second World War²

4.1 The post-war period until 1995

The critical importance of agriculture and food in re-building the UK after the Second World War meant that in the immediate post-war period, rural policy was very much focused on the agricultural sector and grounded in a **productivist approach**. While in the pre-war period, landowners had been somewhat marginalised as a result of the withdrawal of subsidies, the war-related food crisis gave them a renewed sense of purpose. They effectively gained security of land use (as a result of the 1947 Town and Country Planning Act safeguarding the needs of agriculture), financial security through deficiency payments and guaranteed prices, and political security as a result of the close relationship between the NFU and the farming community.

Having said that, there were discussions on other areas of policy and legislation, as one interviewee commented:

"It was during the Second World War that we saw the origins of the Agriculture Act in Scotland when deficiency payments were brought in. But there were also Committees, the Ramsay Committee for example in 1945, looking at whether there is the term of the second committee for example in 1945, looking at whether there is the second committee for example in 1945, looking at whether there is the second committee for example in 1945, looking at whether there is the second committee for example in 1945, looking at whether the second committee for example in 1945, looking at whethe

² See also <u>The Future of Rural Policy in Scotland: RESAS Strategic Research Programme Research</u> <u>Deliverable 3.4.2 Place-based policy and its implications for policy and service delivery — SRUC,</u> <u>Scotland's Rural College</u> for a previous, earlier discussion of this evolution.

should be National Parks in Scotland, parallel to the Dower and Hobhouse Committees in England. Scotland didn't have National Parks in the post-war period largely because of the opposition of landowners and of local authorities, and the different situation when compared with England with regard to access to the countryside. Local authorities didn't want to give away power on planning and landowners were very worried that they would have land rights taken off them and land nationalised. In fact, what happened was the Ramsay reports were much more radical than the Dower and Hobhouse ones because they couldn't conceive of National Parks existing without taking the land rights away from landowners."

Despite these differences regarding **National Parks**, there were strong similarities between England and Scotland in terms of the principal focus for rural policy at this time, i.e. an emphasis on deficiency payments for farmers based on the assumption that supporting farmers and agriculture would support wider rural areas. The quote above also hints at Scotland's perhaps unique land ownership situation where such a high proportion of land is in private ownership (approximately 60%).

At the same time, for one interviewee in this study, urban policies at this time – particularly policy interventions focused on Glasgow's socio-economic challenges - were impacting on rural Scotland. He noted that in the 1950s and 1960s, it became increasingly apparent that levels of overcrowding and poor housing in Glasgow, associated with poverty and poor health, needed to be urgently addressed. Two new programmes were introduced aiming to reduce the population of the city substantially, and both of which had implications for rural Scotland. The first was a policy to build new towns, mainly in the Central Belt (including Irvine, East Kilbride and Cumbernauld) but some elsewhere in Scotland, to which Glaswegians could move. The second strand, arguably more important for rural areas, was the Glasgow Overspill Programme which saw 200,000 people moved out of Glasgow and settled in rural towns. This was a Government-run scheme with public money building new housing estates in towns all over Scotland and providing financial support for new businesses to be established in these communities. Those people that moved out of Glasgow tended to be individuals and families with reasonable skill and aspiration levels who were searching for a better life with more opportunities. While these moves had negative impacts on Glasgow in terms of the outflow of human capital, they brought positive impacts for these towns, many of which were in decline at the time. So, while the driver of these policies was a need to tackle Glasgow's desperate situation, with poverty, pollution and slum housing, the impacts were felt across many rural areas.

The importance of supporting agriculture continued to be the focus of rural policy in the UK for the next few decades (indeed some would say this remains the case today), in the run up to, and after, the UK joined the <u>Common Agricultural Policy (CAP, established</u> in 1962) in 1973. The CAP's aims focused on increasing agricultural activity, ensuring a

fair standard of living for the farming community, stabilising markets, and ensuring food supplies at reasonable prices.

However, from the 1960s onwards, **shifts began to be observed in the economic structure of rural areas** across much of western Europe, with a decline in dependence on agriculture in some places and a growth in service sector employment, particularly in the tourism industry. However, it took until 1984 for the UK Government's Ministry for Agriculture, Food and Fisheries (MAFF) to acknowledge that agriculture had a role to play in the wider economic and social wellbeing of rural areas, and also that there were other significant economic activities in these areas, in particular the importance of rural areas as a space for 'consumption' (especially by tourists) as well as production³. Changes were also observed within the farming industry too, as mechanisation occurred, and output continued to increase. Concerns were starting to increase about the negative impacts of

agriculture on the environment and on biodiversity and about food surpluses, with pictures of food mountains and wine lakes in the EU in the 1980s memorable still today.

As a result, the productivist model of agricultural support began to be undermined and numerous Common Agricultural Policy (CAP) reform packages followed during the 1980s,



1990s and 2000s as the challenges with food surpluses became ever more apparent and the need to protect the environment ever more pressing. Set-aside and agri-environment schemes were introduced and there was also an observable shift in terms of a recognition of the need for farm (though not necessarily rural) diversification.

For one interviewee, it is also important to reflect on post-Second World War **forestry policy**:

"Scotland saw huge forestry planting following the First World War, which actually started before then in the late 19th century. In the early 1970s, the Treasury did a cost benefit evaluation of different types of land use in the uplands. The forestry part of that was published in 1972 and it found that if recreation was to be allowed in forests, it would be worth more than the value of the timber⁴. So at that point

³ Marsden, T.K., Murdoch, J., Lowe, P. and Ward, N., 2012. *The differentiated countryside*. Routledge. ⁴ The authors have done a search for this report and believe that this is the correct reference: <u>Forestry</u> <u>Commission 53rd annual report 1972-1973 (forestresearch.gov.uk)</u>

there was a real shift in forestry policy to open up the forests for access through waymarked trails and picnic areas, and other things. In about 1975 or 1976 the rest of the cost-benefit analysis was published showing that neither agriculture nor forestry were really giving positive value in the uplands and what would be better would be promoting enterprise, small firms. The Development Commission, which extended to Scotland, then proceeded to do this, by advance factory building and building workshops."

One 'special investment scheme' in the Eastern Borders saw 20 advance factories established by the Development Commission starting in 1966. The remit of the UK-wide Development Commission was the social and economic development of peripheral and agriculturally dependent areas, including through the provision of grant support for rural industries. The **Small Industries Council for Rural Areas of Scotland (SICRAS)** operated under the auspices of the UK-wide Development Commission north of the border, while in England the Council for Small Industries (CoSIRA) was established in 1968 to focus on supporting rural parts of the country to maintain viable and prosperous communities, through providing small business advice and support, including technical and management services.

The advance factory building scheme in the Eastern Borders was evaluated by <u>Hodge</u> and <u>Whitby in 1979</u>. The ex-post evaluation revealed total (direct and indirect) employment creation of more than 1,000 jobs, with a capital cost estimated at £21million (a significant amount of money at the time) and an internal rate of return on investment over 25 years just exceeding 10%. A separate evaluation focused on the social costs and benefits, which took account of the opportunity cost of factors employed by the project, such as unemployed labour, and of the extra services which had to be provided as a result of the project. The calculations revealed a net social benefit arising from the factory programme.

Changing geographical focus from the South of Scotland to the Highlands and Islands region of Scotland, one interviewee reflected on the other key strand of investment policy at this time, initially by the **Hydro Board**:

"...which was much like the New Deal in America, you know bringing electricity to rural communities, bringing modernisation to the Highlands. So the Hydro Board was really important and was 'heroic' in a way."⁵

⁵ There are very interesting parallels at the current time with plans by SSE Renewables for a new pumped hydro scheme at Coire Glas in the Highlands: <u>SSE invests \$112.9m into Scottish hydropower - Power</u> <u>Technology (power-technology.com)</u>

The work of the Hydro Board preceded the setting up of the **Highlands and Islands Development Board (HIDB)** through the Highlands and Islands Development (Scotland) Act, which was passed in 1965⁶:

"For the purpose of assisting the people of the Highlands and Islands to improve their economic and social conditions and of enabling the Highlands and Islands to play a more effective part in the economic and social development of the nation, there shall be established a Highlands and Islands Development Board (in this Act referred to as "the Board") which shall have the general function of preparing, concerting, promoting, assisting and undertaking measures for the economic and social development of the Highlands and Islands, and have such other functions in pursuance of that general function as are conferred on them by this Act."

One interviewee described HIDB as being:

"...one of the first of its kind in the world. It was regarded as very radical and innovative. To bring together economic development, social development, skills development and business development and infrastructure, altogether in rural and island areas. These things had been sliced up before and they still are in many cases but [they] knew [they] had to do something about the living conditions and other things in the region. It was extremely serious. And the brief essentially was do anything and everything it takes to turn depopulation around, to create balanced communities, and learn from everything you do. It still isn't even matched by anything else in the UK even today, everything is still sliced up. The Board had huge flexibility, access to capital and revenue. It did lots of good things, many of which were quite innovative."

During the 25 years or so of the Board's existence, the organisation's Chairs all brought different influences to bear on its work to tackle the 'Highland problem', i.e. long-term population and economic decline. However, generally-speaking, the early work of the HIDB focused on a more exogenous growth pole-type strategy which saw large-scale investment in several locations, including Invergordon (aluminium smelter) and Dounreay (nuclear power station). This strategy was based on an assumption that 'underdevelopment' should be addressed by large-scale investment programmes – in this case investments in diversifying local economies in ways which built on local natural resources but reduced dependence on traditional activities including agriculture, forestry and fishing - and that positive impacts would trickle out to the wider rural economy. As one interviewee described it: *"In its early days, HIDB did things to the Highlands.... A lot*

⁶ For more information, see: <u>Highlands and Islands Development (Scotland) Act 1965 (repealed 20.7.1992)</u> (legislation.gov.uk)

of what it did was infrastructure, including using capital money from the EU." However, over time, as one interviewee explained:

"...this approach didn't work for various reasons. And there was a shift to one which much more centrally recognised the need for HIDB's activities (and success) to be measured by what it does and achieves in the remoter parts of the region. And this is where it gets really interesting and important from the point of view of rural and island development. So instead of having this centralisation tendency with the idea that prosperity would spread outwards, when he was Chair, Ken Alexander working closely with John Bryden, had a policy of trying to develop the remoter areas. They put money into community development strategies, community businesses and enterprises and at the time, there were evaluations done, which found that most of the community businesses failed, but not all of them, some still survive now. But I have always wanted to do an evaluation of their long-term impact. Because I would maintain that it is the people that were the development officers working for the HIDB that have made everything happen in the region since then. People like Agnes Rennie, Di Alexander, John Watt. They were all doing that sort of work, a whole group of them that learned so much and have been at the heart of so much of what has happened since. So the catalytic value of those people, not in a narrow financial sense of whether those businesses survive, but about what it did to stimulate and empower and change the Highlands and Islands. in the community land movement, in rural housing associations and so on."

This early strand of work around community development and community enterprise continued into **Highlands and Islands Enterprise** (HIE, HIDB's successor organisation set up in 1991) and its



Strengthening Communities programme. It can also be seen in specific programmes like <u>Initiative at the Edge</u> for example which one interviewee described as being *"genuinely local and place-based."*⁷. Having said that, HIE has still been the subject of criticism over the years for putting too much focus into the Inverness and Inner Moray Firth area and not enough onto the rest of the region and also for not devoting more of its budget to its Strengthening Communities strand of work. It is also worth reflecting that the issues of the day highlighted in HIDB's first annual report in 1966, including housing,

⁷ The authors are aware that Initiative at the Edge was subject to formal evaluations (we believe two) but it has not been possible to find these documents online anywhere. This was a partnership programme supported by The Scottish Executive, Highlands & Islands Enterprise Network, Communities Scotland, The Crofters Commission, Highland Council, Shetland Islands Council, Orkney Islands Council, Comhairle nan Eilean Siar & Argyll & Bute Council, Scottish Natural Heritage and the Health Boards of Highland, Orkney, Shetland & The Western Isles.

roads, local government, youth activities, medical services, retaining population and increasing job opportunities, are not dissimilar to the key rural issues of the present day⁸.

Nevertheless, the work of HIE has often been contrasted favourably with Scottish Enterprise for example, in terms of its understanding of and focus on rural communities, and in large part this can be attributed to its wider remit to cover economic and social or community development.

Two interviewees commented specifically on the significant role of a small number of key people in taking forward the development of rural areas in Scotland, and particularly in the Highlands and Islands. Some of these individuals started off working with HIDB in community enterprise roles. While many of the enterprises they worked with did not survive beyond a year, those individuals, building on the experience they gained, went on to work for years in various roles across the region building community and individual confidence and capacity: *"quietly creating the conditions for exciting things to happen"*, as one interviewee described it.

HIE's website contains <u>a useful summary of the key investments and impacts</u> from itself and its predecessor organisation HIDB (including annual reports on activities), in the context of wider socio-economic and political trends, while <u>Jim Grassie's book 'Highland</u> <u>Experiment' published in 1983</u> provides another perspective on the work of the HIDB.

4.2 1992 until the present day⁹

4.2.1 1992-1996

Just over 30 years ago in 1992, '**The Rural Framework'** was published by the Scottish Office. The Framework's key principles included partnership working, community involvement and effective service delivery. There was a recognition at this time that tackling rural issues in a sectoral manner (i.e. by focusing on agriculture) does not work, and that much that was proposed requires goodwill rather than money.

Crofting¹⁰ is an important part of the agricultural and land ownership picture of Scotland and it has had its own specific legislation since 1886, amongst other things, ensuring rights for crofting tenants. This legislation evolved through a series of Acts in the 1950s,

⁸ HIDB's first annual report is available online here: <u>1960's Timeline - 50 Years of Highlands and Islands</u> <u>Enterprise (hie.co.uk)</u>

⁹ More information on this period is available in Renwick, A. and Thomson, S. (2008) *The White Paper for Rural Scotland: Does Prospect Lie in Retrospect?* Presentation Slides available online.

¹⁰ A croft is a relatively small agricultural land holding, which is normally held in tenancy, and which may or may not have buildings or a house associated with it. Crofts range in size from less than 1/2 hectare to more than 50 hectares, but an average croft is nearer 5 hectares (see <u>What is Crofting? | Crofting</u> <u>Commission (scotland.gov.uk)</u> for more information).

1960s and 1970s, and then the 1993 Crofting Act codified the law of crofting and set out provisions for the key institutions involved in supporting crofting activities.

The publication of the Framework was followed by a consultation (led by the Rural Focus Group) which itself informed the (December) 1995 Scottish Rural White Paper '**People**, **Prospects, Partnership',** at the time of a Conservative UK Government. This provided a statement of the overall aims of rural policy in a single document and set up a new mechanism to encourage a partnership approach and community involvement. Guided by the objectives of sustainable development, the White Paper contained several policy aims, including a rural Scotland that is *"economically prosperous..., vigorous in its community life... culturally confident... and able to protect, conserve and enhance its outstanding natural environment."*

One interviewee in this work, for whom rural disadvantage has been a key theme of research for several decades, reflected on the interplay of research and development in the 1995 Rural White Paper, commenting:

"John Randall who led that Rural White Paper sat on the Steering Group for [the] research project on rural disadvantage. And he made the decision that there should be a presentation of the findings of our work at the start of every consultation meeting on the Rural White Paper. So disadvantage is a real thread running through it."

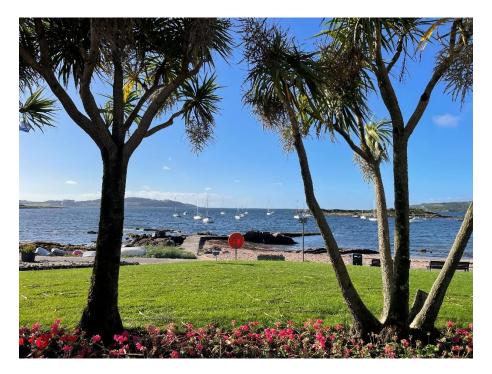
The White Paper made reference to a wide range of other issues too, including affordable housing, health, village shops and post offices, rural business units, woodlands, travel, and information and communications technologies and teleworking. It also set up Local Rural Partnerships (LRPs) and the Scottish National Rural Partnership (SNRP) and associated funds. The SNRP was established to act as an interface between Scottish Government and the LRPs, to review progress towards the overall aims of a rural policy, to sponsor and oversee a programme of rural research, and to advise Ministers on the disbursement of funding. LRPs were to play a range of roles, including providing a means for promoting input from local people into decisions affecting their area, encouraging local people to undertake projects and initiatives for their area, and facilitating organisations to work together more effectively. The Scottish Government Deputy Register General at the time (1996), John Randall, commented that:

"By setting out, for the first time, an overall statement of the aims of government rural policy in Scotland, the White Paper provides a framework through which a more integrated approach to policy development can be pursued in future... Its focus is clearly on local rural development, particularly the need for greater community involvement in a grass roots approach to development issues, and the partnership approach seeks to build further on the integrated approach to rural development which the administrative structure of the Scottish Office enables."

A paper by two Aberdeen University academics, <u>John Bryden and Sandy Mather</u> <u>published in 1996</u> provided a critique of the Rural White Paper. They argued that there was too much of a gap between policy aims and delivery mechanisms, a lack of strategic thinking and vision, a lack of focus on dealing with policy tensions and that the Paper simply contained a list of already ongoing initiatives and glossed over some of the key challenges facing rural Scotland.

It is also worth noting that at this time, there was place-based European funding for rural Scotland in the form of **Objective 1 and Objective 5b programmes**, with the former targeted at the least developed rural regions with GDP per capita less than 75% of the European Community average (including the Highlands and Islands and sub-regions like the Western Isles) and the latter targeted at rural regions meeting a number of socioeconomic criteria including population density, population employed in agriculture, peripherality etc. (including Dumfries and Galloway). These programmes took more of an integrated, place-based approach to rural development at least initially. One interviewee commented on these very positively:

"The Objective 5b programmes in the Highlands and Islands and elsewhere in the 1980s and 1990s... the intention was to look at the whole rural economy. The ambition to integrate and use a multi-funded approach in an integrated policy, to me that's the golden age of genuine rural policy that was not captured by these lobbies and interests and was genuinely trying to implement place-based programmes which were derived locally and based on a local analysis of issues."



4.2.2 1997-2007

1997 saw a change to a Labour UK Government and in 1998 '**Towards a Development Strategy for Rural Scotland'** was published (as part of a suite of documents) led by John Sewell, the Minister in the Scottish Office Department of Tony Blair's Government. Research being undertaken at the time at the Arkleton Centre for Rural Development Research at the University of Aberdeen, and particularly by its Co-Directors Professor John Bryden and Professor Mark Shucksmith, played a key role in shaping the priorities in the document. With reference back to the neo-endogenous approach to development, one interviewee commented:

"This was the document that laid the sort of ideological basis for land reform as well because it said what we are about is sustainable rural communities and sustainable rural development. And anything that gets in the way of sustainable rural communities we have to change and unblock. And that was where land reform and land ownership in the service of sustainable rural development came in, that was the rationale for it. But it also guided a whole lot of other policies, because that document talks about capacity-building and institutional changes, I've forgotten all of the details, but it is very much evidence-based in terms of the neo-endogenous rural development approach and nothing since has quite matched that... and it was pivotal to the land reform legislation."

As argued by <u>Shucksmith and Atterton in 2018</u>, this document heralded a radical new approach by asserting that the people of Scotland should be the subjects and not the objects of rural development.

Two years later in 1999 the Scottish Parliament was created with a Labour-Liberal Democrat coalition government. Shortly after, in 2000, **'Rural Scotland: A New Approach'** was published by Ross Finnie who was the (Liberal Democrat) Minister for the Environment and Rural Development. The vision set out was of:

> "A rural Scotland where everyone matters: every community, every family, every rural Scot. A rural Scotland that is integral to Scotland's success, thriving and providing opportunity and a high quality of life for all who work there. A rural Scotland where two of our most important assets – our natural and cultural heritage – are protected, enhanced, and celebrated."

> > 1078



The document set out two key priorities: (i) working together with communities, and (ii) shaping policies to ensure they addressed rural circumstances, and four broad themes for action: supporting economic development; breaking down barriers; improving access to, and delivering better, services; and sustaining and making the most of our natural and

25 MAY 2000

"Rural Scotland: A New Approach"

The Presiding Officer (Sir David Steel): The next item of business is a debate on motion S1M-896, in the name of Ross Finnle, on "Rural Scotland. A New Approach", and two amendments to that motion. I call Ross Finnle to speak to and move his motion.

I ask all those who would like to take part in the debate to press their request-to-speak buttons now, so that we can organise the list of speakers.

10:28

The Minister for Rural Affairs (Ross Finnie): I welcome the opportunity to have this debate, so that the Parliament can demonstrate the importance of rural Scotland to Scotland as a whole and so that I may highlight what the Executive is doing to give rural issues the priority that they deserve.

It is a year since we gave a commitment in "Partnership for Scotland" to

"work to support and enhance rural life, rural communities and the rural economy."

That was a serious promise and one that we are working to deliver. At the outset, we began by creating a rural affairs department and a Minister for Rural Affairs. We recognised that, for our commitment to be achieved, we needed to move from the traditional departmental approach to policy making to a more cross-cutting style of cultural heritage. However, <u>Shucksmith and</u> <u>Atterton argued in 2018</u> that this document was rather misleadingly titled as it did not contain much new and instead reiterated the key themes and issues in 'Towards a Development Strategy for Rural Scotland'.

The subsequent 2003 document 'Rural Scotland: <u>Taking Stock</u>', saw five key priorities identified: jobs, education, transport, crime, and health, and two additional overarching themes: closing the opportunity gap and promoting sustainable development. It is also worth noting that 2003 also saw the passing of the Land Reform (Scotland) Act which established statutory public rights of access to land, and made provisions under which bodies representing rural and crofting communities could buy land. The same strategic focus continued into the Scottish Government's 2007 document 'Rural Scotland, Better Still Naturally' which listed eight strategic themes and



approaches:

(i) broaden and strengthen the rural economy, including the skills base,

(ii) protect, maintain, and develop our natural and cultural assets,

(iii) improve the accessibility and quality of services people and businesses depend on,

(iv) address the challenges and opportunities of population change,

(v) promote social and economic inclusion,

(vi) help build resilient and sustainable communities,

(vii) improve stakeholder engagement, and

(viii) improve focus, delivery, and measurement of progress towards the main outcomes.

In preparation for the 2007 document, a short futures-focused project was undertaken with key stakeholders. This work emphasised the need for a shared vision and *"a clear sense of purpose for rural Scotland and its place in Scotland."* The resulting document recognised the strengths of rural Scotland (including entrepreneurialism and economic participation) but also its weaknesses (including lower levels of business growth and value added and an overdependence on agriculture).

Of course, alongside these 'rural policy' developments, as a member of the EU, Scotland (with the rest of the UK) experienced ongoing territorial development programmes funded by the EU's Regional and Structural Funds, and more focused interventions (for example on employment and skills) through the European Social Fund. It was also part of the CAP and experienced successive reforms of the policy from the 1980s onwards. Over this time, there was something of a shift in the distribution of payments away from farmers to support a wider range of actors through the **Scotland Rural Development Programme (SRDP)**, though farmers still received the bulk of the payments for their production-related activities and their wider activities related to the environment, for example. Looking south across the border, it is interesting to note that the 2000s was also the period in which regionalism was a strong driver of policy and the regional infrastructure was expanded, including Regional Development Agencies, Government Offices in the Regions, Regional Assemblies and Regional Rural Affairs Forums.

Referring back to the discussion at the start of this paper on what is rural policy, it is worth noting that it was at this time that Jordan and Halpin's (2006) work was published on rural

policy being a byproduct policy, based on the experiences of Scotland. They argued that disparate components such as agriculture and transport persisted as the substantive policy elements to which a rural policy tag was then attached. They noted that the rural affairs department in the Scottish Executive (at the time), principally existed as a coordinating and policy-taking ministry reliant on the actions and priorities of other ministries and departments. While there was some evidence of a push away from narrow sectoral agricultural policy, they argued that this was not because of a strong pull towards a coherent rural policy; for Jordan and Halpin, Scotland had not achieved the stated ambition of a coherent horizontal rural policy. A paper by Keating and Stevenson, two further academics at Aberdeen University published in the same year, reflected on the geographical emphasis of rural policy in Scotland on the Highlands and Islands region, and commented that they could observe some broadening of the agenda. They describe rural policy as a "transversal policy, linking a number of sectoral concerns and interests" and the comment (as described above), that rural policy in Scotland at the time was "highly Europeanised". At the same time, they acknowledged that "Devolution has led to a change in political and administrative structures and in policy communities, which are now more distinct and self-contained in Scotland."

Reflecting on developments since the 1998 paper 'Towards a Development Strategy for Rural Scotland', one interviewee commented that:

"I think rural policy since then hasn't moved on a great deal as rural policy. I think there are things which have moved on tremendously which are really important to rural policy, most notably community-based land reform and the land reform legislation, the Land Fund, Community Land Scotland, the Community Land Unit, all of those things absolutely essential to building and supporting... exactly what networked rural development should be with the state enabling and supporting both with expert staff and funding, building the network and the legislation itself which made it possible to buy the land in most cases, even though it wasn't used, the threat of it. And there are other things which have been done but not specifically as rural policy."

This lack of progress in rural policy was also reflected on by two other interviewees who commented that, despite these documents, not much changed. They commented that the bulk of the money still went to farmers and agriculture during this period maintaining a very sectoral approach to rural development, and that short-termism and political cycles, particularly in Westminster, tended to shape the trajectory of Scotland's rural policy. One interviewee commented:

"We had the bit of paper but we didn't do anything any different... your question is has Scotland had a clear vision for its rural areas, and the answer is no. Its had all of these policy documents but, they are ephemeral and not really funded, they are just wish lists. And you say what impact has the vision or lack of it had on the resilience of rural communities, well that is why we have these wicked challenges basically.

You have the policy documents and you have a hidden agenda which always comes down to farming, whisky, fishing, tourism and food; it's a sectoral economic vision for Scotland. So whatever those grand documents said, the lobbying system continued to favour those sectors, plus forestry as well. The visions were on the shelf and the reality was these industries."

COCC RURAL POLICY REVIEWS Scotland, UK Assessment and Recommendations Cotland, UK – Assessment and Recommendations

4.2.3 2008-2011

The Scottish Parliament election in 2007 saw the SNP become

the largest political party in Scotland for the first time, governing initially as a minority administration from 2007-2011. It was at this time that Scotland's <u>National Performance</u> <u>Framework</u> was first introduced, though it has evolved since then, including an update in 2018.

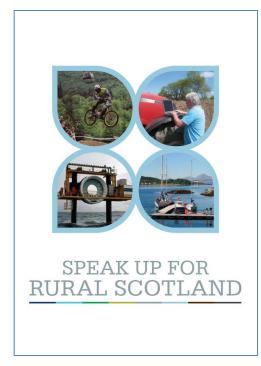
In 2007/08, the **OECD conducted their independent review of rural policy in Scotland** and the extent to which it followed the principles of its New Rural Paradigm¹¹. The OECD review team found that Scotland's approach to rural policy was innovative and rapidly evolving, but that it was still centralised, with a complex organisational landscape at local level, lacking bottom-up involvement, and with a sectoral (i.e. agricultural) not a territorial or place-based focus.

The OECD was particularly concerned by the high proportion of SRDP spend on activities which were agricultural in nature, thus reinforcing the sectoral bias in rural policy and resulting in a lack of integration between agriculture/environmental policies and all the other socio-economic policies for rural areas. The OECD team recommended that: "Scotland aim for a distinct vision of policy for all rural areas, one that is comprehensive and integrated, capable of mixing sectoral and territorial approaches and developing linkages and exchanges, between the agricultural sector (farmers and land managers) and the other sectors of the rural economy."

¹¹ As described earlier, <u>the principles</u> are a focus on places rather than sectors (such as agriculture), on investments rather than subsidies to achieve long-term benefits, and on devolving power and resources to communities to determine their needs and realise opportunities. Rural policies should be about wider rural regeneration rather than just agriculture, and rural areas should be given more power and resources to determine their own needs and realise their own opportunities.

The review argued that having an overall rural strategy would help with policy coordination, and that future priorities should include:

- addressing the shortage of land for rural housing
- looking beyond agriculture for the future of Scotland's rural economy
- developing a spatially differentiated investment strategy within a modern, multisectoral policy framework to tackle public service challenges. and
- taking a novel approach to rural development which recognises urban-rural linkages.



In 2008, the then Cabinet Secretary for Rural Affairs, Food and the Environment, Richard Lochhead MSP, set up the independent Rural **Development Council** to provide him with advice on "how best rural Scotland could contribute to the creation of a more successful country through sustainable economic growth". In 2010, the Council issued its report 'Speak up for Rural Scotland', with a vision for rural Scotland to be "an international shop window for all of Scotland", underpinned by the four elements of: active and confident communities; the best-connected places; competitive enterprises creating employment opportunities; and world-rated natural and built environments. The Council identified 37 'step changes' to deliver to this vision, focusing on: rural economies; multipurpose land use; empowered

communities; sustaining rural communities; infrastructure and services; and working together.

In 2011, the Scottish Government issued its response to the Council's document and the subsequent consultation, **'Our Rural Future'**¹², which contained the following vision:

"We want to see a rural Scotland that is outward looking and dynamic - with a diverse economy and active communities. Rural prosperity will increase in ways which make best use of all our resources – our people, as well as the land, seas, rivers, and wildlife. Our rural communities will grow in confidence and diversity, taking control of local assets and providing local services to generate income and employment. Our young people will have the opportunity to build careers and prosperous futures in the area where they grew up. Services of the highest

¹² It has not been possible to track down either Speak up for Rural Scotland or Our Rural Future online.

possible quality and with the greatest possible choice will be accessible to the whole community. Our worldrated natural, cultural, and built environments will be sensitively to balance managed development requirements with the vital need to manage our precious natural assets sustainably. We want to see rural Scotland participating fully in the global exchange of ideas and culture, with the right connections to make this happen, including high speed broadband and appropriate transport infrastructure. Rural businesses will make best use of local assets to become more competitive and enterprising."



The document contained several priorities for rural areas including:

- infrastructure (including broadband, housing, public transport, and healthcare)
- land use (including a desire for better partnership-working)
- community participation (including on renewable energy developments with an emphasis on capacity and skills development and working with local authorities)
- community enterprise (including more community control of assets/resources and the promotion of development trusts and social enterprises), and
- business and skills (including public procurement opportunities for local businesses and skills training based on the needs of the local economy).

In parallel to, but separate from, this work the Scottish Government commissioned the 'Inquiry into the Future of Agricultural Support in Scotland in 2009-2010', which put forward a set of recommendations on how financial support to agriculture and rural development could be best tailored to deliver the Scottish Government's purpose of sustainable economic growth. 2010 also saw the passing of the Crofting Reform (Scotland) Act 2010 (following on from one in 2007) which reformed and renamed the Crofters Commission, provided for the establishment of a new register of crofts and for registration of crofts and land held in common grazings, made provisions about the duties of crofters and certain owner-occupiers of crofts and the enforcement of those duties, and further amended the law on crofting.

The Scottish Government's **commitment to mainstreaming rural** by adapting policies to meet local needs rather than 'setting rural Scotland aside as something different' effectively meant that the work of the Rural Development Council and the OECD, and particularly the latter's calls for a strong vision and all-encompassing strategy for rural Scotland, were not taken forward.

4.2.4 2011-2019

Since 2011 (when the Scottish Parliament election again returned an SNP Government, this time with a majority) the Scottish Government has not issued any further rural documents, and there remains no coherent rural policy or vision (see SRUC 2014 for more discussion of this). Instead, the focus has tended to be on policy domains, such as land reform, community empowerment, planning and digital connectivity, all of which have a substantial impact on rural areas, and indeed islands too. As one interviewee commented:

"In the last 20-30 years, so much has happened in terms of community ownership, that people now take it for granted in some areas, development trusts... In many communities, there is now two generations of people who have experienced community leadership and community ownership, making surpluses to reinvest, doing collaborative deals, so its matured and got more creative and it's a great story, but its not yet everywhere."

A significant proportion of funding to rural Scotland through the CAP in this period. including through the Pillar 2 SRDP (which remained Scotland's key instrument of rural policy), continued to be focused on agriculture (and to some extent wider land managers), including through the Less Favoured Area Support Scheme (LFASS) and agrienvironment and forestry support, rather than on wider rural development. However, as in many other EU countries, one key element of the SRDP was the LEADER **programme**¹³ (though its share of the budget was small), implemented through Local Development Strategies (LDS) by Local Action Groups who approved funding for projects aligned to their LDS. The LEADER programme in Scotland has been subject to several formal evaluations (as a requirement of the EU funding) since it was established in the early 1990s (see for example Scottish Government 2018; Atterton et al. 2020) as well as being a focus of academic research (see for example Dargan and Shucksmith 2008). As a general conclusion, these evaluations and reviews have found that the LEADER programme has had many successes including in terms of delivering important projects, but that not all communities have been able to build their capacity to engage, and that the process of applying for and managing funding has become increasingly bureaucratic. Alongside this has been the ongoing and substantial amount of EU Structural and Investment Fund (European Regional Development Fund and European Social Fund) investment that Scotland has received, in particular for its rural areas.

Although the overall approach has continued to be one of mainstreaming rural concerns into general policy formulation, party election manifestos and annual **Programmes for**

¹³ The term 'LEADER' originates from the French acronym for "Liaison Entre Actions de Développement de l'Économie Rurale", meaning 'Links between the rural economy and development actions'. More information can be found in this <u>special report</u>.

Government since 2011 have continued to contain some specific commitments for rural communities, such as for the <u>Skills Action Plan for Rural Scotland</u> (in the 2018-9 <u>Programme for Government</u>), ongoing support since the <u>2017-18 Programme for Government</u> for the <u>National Rural Mental Health Forum</u>, support to set up <u>Scottish Rural Action</u> and to enable them to deliver biennial <u>Scottish Rural Parliament events</u>, and support for tackling specific challenges, such as housing, transport and digital connectivity, in rural communities.

Alongside these specific rural commitments, it is worth noting that in 2014, **City Deals** came to Scotland when eight councils around Glasgow negotiated a deal with the UK Government to set up **Scotland's first City Region Deal**, with matched funding provided from the Scottish Government. City Region Deals came to Scotland slightly later than City Deals to England, although similar language is evident in both countries about how cities are described. The Scottish Government's 2011 document '<u>Scotland's Agenda for Cities</u>' (which was subsequently refreshed in 2016) notes (p4) the aim is to create: "A Scotland where our cities and their regions power Scotland's economy for the benefit of all" i.e. there is an assumption that rural areas will benefit from urban-focused investments.

According to Copus (2018), City Region Deals are among the clearest examples of placebased policy, as they build an intervention logic which recognises the potential for economic activity associated with the multi-faceted interactions between cities and their rural hinterlands. His paper reviews the extent to which urban-rural interactions were explicitly seen as a lever for rural development in Scottish rural policy documents since 1995, concluding that the closest the Scottish Government came to an urban-rural policy was in the 2007 'Rural Scotland Better Still Naturally' document. This is despite the call from the OECD in their 2008 review of Scotland's rural policy to achieve "a deep understanding and policy recognition of urban-rural linkages". Copus (2018) concludes that this is because this kind of approach would not fit well with mainstreaming which, he argues, serves as a barrier to place-based interventions, nor with the role of the National Performance Framework which leans towards spatially blind approaches. It is also worth noting that Scotland has set up Regional Economic Partnerships (collaborations between local government, the private sector, education and skills providers, enterprise and skills agencies and the third sector) to address regional disparities by delivering prosperity everywhere, and to encourage inclusive growth (Copus 2018).

Copus goes on to argue that the City Region Deals have tended to become a vehicle for acquiring and packaging public sector funding for high profile projects which are potentially beneficial for urban and regional growth, but do little to address intra-regional disparities, or the needs of rural areas. Moreover, rural policy (in the form of the SRDP and mainstreamed interventions) has made very limited reference to and even less use

of the links between rural and urban Scotland as a basis for economic or social development (Copus 2018).

Turning away from urban-rural linkages, it is worth noting that across the Scottish Government civil service, a quarterly **Rural Policy Working Group** was established in 2016 for the rural policy team to meet with representatives from policy teams across Scottish Government to raise the profile and awareness of rural issues and to inform and influence policymaking in other departments. This might be regarded as a kind of very light touch 'rural proofing' (though it was not described as such) whereby those policymakers who are rural specialists are supporting others to understand the characteristics

of rural areas, and therefore how their policies may impact differently on rural communities.

As the result of an SNP election manifesto commitment in 2011, the <u>Scottish Rural Parliament met for the first</u> <u>time in Oban in 2014</u>, with a <u>second meeting held in</u> <u>Brechin in 2016</u>, and a <u>third in 2018 in Stranraer</u>. Coordinated by <u>Scottish Rural Action</u>¹⁴, which exists to provide a voice for rural communities and seeks to ensure that decision-makers understand the needs and strengths of rural communities, the Rural Parliament aims to raise the profile of rural needs and successes, connect rural community representatives with decisionmakers, and share ideas and practices across rural communities. The Rural Parliament provides a means to tackle one of the OECD's key criticisms of Scotland's



rural policy – namely the lack of bottom-up participation – and the events have been well attended, providing opportunities to celebrate rural and to network, as well as to inform and lobby government on specific issues.

Politically in this period, there were two Cabinet Secretaries covering rural issues: Fergus Ewing MSP, Cabinet Secretary for Rural Economy and Connectivity, and Roseanna Cunningham MSP, Cabinet Secretary for the Environment, Climate Change and Land Reform. Both Cabinet Secretaries issued their own vision statements for rural Scotland though these were never 'translated' into formal vision or policy statements:

¹⁴ Rural Forum existed in Scotland from 1982 to 1999 as a predecessor organisation to Scottish Rural Action to serve as a voice for rural communities across Scotland, though it undertook many other activities too, including research. An evaluation of Scottish Rural Action was undertaken by <u>Currie and Fisher in</u> 2019.

"My ambition is to grow the rural economy sustainably, so rural communities thrive, for the benefit of everyone who lives and works there, and indeed for the benefit of Scotland as a whole." Fergus Ewing MSP, Cabinet Secretary for Rural Economy, and Connectivity.

"Our vision is that the ownership, management and use of land and buildings in Scotland should contribute to the collective benefit of the people of Scotland. A fair, inclusive, and productive system of land rights and responsibilities should deliver greater public benefits and promote economic, social, and cultural rights." Roseanna Cunningham MSP, Cabinet Secretary for the Environment, Climate Change and Land Reform.

In early 2017, the Scottish Government appointed four <u>Agriculture Champions</u> to advise on the strategy for delivering the <u>'Future of Scottish Agriculture'</u> vision, which was launched as a National Discussion at the Royal Highland Show in June 2015. <u>The</u> <u>Champions published their final report in May 2018</u> against the backdrop of the decision of the UK to leave the EU. The only reference to 'communities' in the Champions' report comes in the Vision Statement from the <u>original 2015 document</u>, suggesting an ongoing divide between rural and agriculture:

"Scotland has a green, innovative, and profitable agriculture industry which is outward-looking and resilient, supporting our economic growth, environment and communities and contributing to global food security."

In parallel with the work of the Agriculture Champions, in June 2017, Cabinet Secretary Fergus Ewing set up the <u>National Council of Rural Advisers (NCRA)</u>:

"to provide advice on the potential implications of Scotland leaving the EU as part of the UK, and to make recommendations on future policy and support, with the aim of ensuring a vibrant, sustainable and productive rural economy".

While the Agriculture Champions sat on the NCRA, the separation of discussions about the future of agriculture and wider rural issues was perhaps a missed opportunity to have a holistic discussion of all the issues in an integrated way. The NCRA produced its <u>interim</u> report in November 2017 and then completed a consultation with rural stakeholders and communities to further inform its work. The NCRA's <u>final report was published in</u> <u>September 2018</u> and argued that rural policy should be embedded in all decision-making and that national economic plans and industry-led strategies should be joined up and should promote the rural economy.

The Scottish Government's 2018 report on <u>'Understanding the Scottish Rural</u> <u>Economy</u>'¹⁵ played a role in helping to provide the required evidence base to ensure that rural economies were better understood by policymakers and others. Following on from the 2016 Land Reform (Scotland) Act (which itself followed on from the 2015 Community Empowerment (Scotland) Act, 2017 also saw the creation of the <u>Scottish Land</u> <u>Commission</u>. The 2016 Act was notable in granting Scottish Ministers the power to force the sale of private land to community bodies to further sustainable development in the absence of a willing seller. One year later, to meet the provisions of the 2016 Act, a <u>Land</u> <u>Rights and Responsibilities Statement</u> was introduced which adopted a human rights approach to this issue and aimed to ensure that both rural and urban land contributes to inclusive and sustainable economic growth and social justice (the Statement has been revised since 2017, including most recently in 2022).

It is worth also commenting that the research landscape for rural issues has changed in Scotland over this time period. Researchers at The Arkleton Centre for Rural Development Research at the University of Aberdeen, affiliated with the Departments of Geography and Land Economy, undertook robust academic and highly policy relevant research in the 1990s and 2000s. Many of the individuals who studied and/or worked in the Arkleton Centre are still working in rural or related research in Scotland, including at the <u>SEFARI</u> - the **Scottish Environment, Food and Agriculture Research Institutes** – and other Higher Education Institutes. The SEFARI Institutes, with external partners, including Universities and other research organisations, deliver the Scottish Government's Environment, Natural Resources and Agriculture Strategic Research Programmes with one running from 2011-2016 and one from 2016-2022 (and a <u>new</u> programme running from 2022-27, amounting to approximately £50 million a year). These Programmes cover the breadth of agriculture, environmental, food and rural issues, and ensure that high quality evidence and analysis directly informs Scottish Government policy formulation.

4.2.5 2019 to the present day

Mainstreaming has remained the approach taken by the Scottish Government to rural issues. The <u>Rural Economy Action Group</u> was appointed in February 2019, chaired by Professor Carol Tannerhill (a Professor at Glasgow University and Chief Social Policy Adviser to the Scottish Government) to implement the recommendations from the NCRA

¹⁵ More information: Scottish Government (2018) *Understanding the Scottish rural economy*, Scottish Government, Edinburgh: <u>https://www.gov.scot/Publications/2018/02/3310</u>. See also: Turner, R. and Atterton, J. (2015) *Scotland's rural enterprises: what do we know and where are the information gaps?* SRUC Rural Policy Centre Policy Briefing 2015/11: https://www.sruc.ac.uk/downloads/file/2621/2015_scotlands_rural_enterprises_what_do_we_know_and_where_are_the_information_gaps.

report and to bring the rural economy to the forefront of policy-making. However, the Group's work was hampered by the Covid-19 pandemic.

SCDI (the Scottish Council for Development and Industry) ran an <u>independent Rural</u> <u>Commission</u> from 2018-2019. The Commission's <u>report</u> contained 42 recommendations focusing on the measures that they believed would allow the right decisions to be made to support investment and strengthen the contribution of people everywhere. The recommendations demonstrated some similarities with those from the NCRA, including the need to understand and embed the economy of rural Scotland in decision-making, to ensure people have access to affordable housing, to drive infrastructure to support a transition to a low carbon future while recognising transport connectivity needs throughout the country, and to consider how the actions of government and business together can strengthen the economy throughout Scotland and unlock future growth.

The Scottish Government's Programmes for Government have continued to include specific interventions for rural areas, including for example the Rural Entrepreneurship Fund (Programme for Government 2021-22 which unfortunately has not been taken forward), ongoing support for Scottish Rural Action and the Rural Parliament events, with a virtual event being held in 2021. Rural commitments in the current 2022-23 Programme for Government include:

- aligning behind the Vision for Agriculture, to consult on a future Agriculture Bill and move towards shifting 50% of direct payments to climate action and funding for on-farm nature restoration and enhancement by 2025
- exploring "capping and/or tapering base-level payments to release additional funding to meet the goals of our agricultural vision, including the urgent actions required to reach net zero emissions"
- creating new crofting opportunities by delivery of the National Development Plan for Crofting and looking at legislative options to support the sector
- acting on the recommendations from the Commission for the Review of Land-Based Learning (which reported in January 2023) and invest in advice and skills for farmers and crofters to support a just transition
- publishing a Remote, Rural and Island Housing Action Plan to support the provision of homes in these areas, including consideration of funding arrangements for community housing trusts to ensure they can support the delivery of our enhanced rural home building plan.

The UK's exit from the EU has provided an opportunity to re-think and reform agricultural, environmental, and wider rural development policy in Scotland. The work of the Farming for 1.5 degrees Inquiry, the Scottish Government appointed farmer-led sector groups and most recently the Agricultural Reform Implementation Oversight Board (ARIOB) has sought to map out a future support system for agriculture, the principles of which were

set out in the <u>Scottish Government's Consultation in the Autumn of 2022</u>. For some in the industry the pace of agricultural policy change has been too slow, but the issues to resolve are complex, including the future for direct payments for Scotland's farmers – particularly those operating on poorer quality land in order to support domestic food security - while at the same time acknowledging the need for a fundamental shift in priorities and payments to support more environmentally friendly farming and to facilitate agriculture's positive role in meeting Scotland's net zero targets. These decisions on future agricultural payments and support will have implications for Scotland's land use, as recognised in its Land Use Strategy 2021-26, for whether and how it will meet its ambitious climate change and net zero targets (as set out in the <u>Climate Change Plan 2018-32 update</u> published in 2020), and for the socio-economic implications of these changes, which are being explored by two <u>Just Transition Commission's</u> and set out in sector <u>Just Transition Plans</u>, which are currently being drafted.

Alongside this, in terms of broader rural development, building on decades of experience with the EU-funded LEADER programme, the Scottish Government has directed money into a <u>new funding stream for Community Led Local Development</u>, which builds on the many positives of LEADER and attempts to mitigate some of its more challenging elements, not least the level of bureaucracy which had been seen as increasingly burdensome by most community development practitioners (see for example <u>Atterton et al. 2020</u>).

An noteworthy development in late 2022 was the new commitment from the Cabinet Secretary for Rural Affairs and Islands Mairi Gougeon and the Cabinet Secretary for Finance Kate Forbes (at the time) to **apply a 'Rural Lens' to projects** funded as part of the <u>National Strategy for Economic Transformation (NSET)</u>. The development of guidance and an evaluation approach to support this Rural Lens (or rural proofing) activity is being led by the Rural Economy policy team in Scottish Government, with support from external academics¹⁶, and it will be interesting to see how effectively, how far, how quickly and how impactfully this work extends across Scottish Government policy teams. In a <u>recent press release</u> accompanying the publication of SRUC's <u>Rural and Islands Insights</u> <u>Report 2023</u>, Cabinet Secretary Mairi Gougeon emphasised that the **Rural Delivery Plan which will be published by 2026**: *"will ensure that a rural lens is applied to all ongoing policy."*

In relation to the rural lens, however, one interviewee questioned:

"...whether rural proofing is perhaps more politically challenging to politicians in Scotland than having island proofing because there is the policy line that rural is

¹⁶ External academics (Professor Mark Shucksmith, Professor Sally Shortall, Professor Lorna Philip, Dr Mags Currie, Dr Ana Vuin and Dr Jane Atterton) are supporting this work through a Specialist Advisory Group funded by SEFARI.

mainstreamed but no one has ever said that islands are mainstreamed. So having rural proofing the way it has been understood elsewhere is like opening a pandora's box as its like saying that rural isn't mainstreamed. But can the rural lens be seen as something which is part of rural mainstreaming rather than antithetical to it in the way that island proofing can exist alongside rural mainstreaming."

Another interviewee was much more negative about the usefulness of rural proofing:

"Rural proofing generally is very passive. Given the poor communication within different parts of the SG, I just don't think its ever going to be very effective other than in a box ticking way. And to be honest, the fact that you have a set of mainstreaming policies for the economy, housing, transport, etc and then for rural areas you have proofing or a lens, speaks volumes about your priorities. Why do you have a transport policy that you screen for rural? Why don't you have a rural policy that you screen for rural? It just reflects your priorities I think. I am sure the Cabinet Secretaries had the best of intentions but its sub-optimal."

It is also worth noting that in 2019 Gail Ross MSP (for Caithness, Sutherland and Ross) proposed a Bill in the Scottish Parliament to *"enhance the consideration given to remote rural mainland communities by public bodies in Scotland"*. While ultimately the Bill did not proceed, Ms Ross MSP issued <u>a consultation document</u> highlighting some of the key challenges of these remote mainland communities, including demographic decline, the out-migration of young people and transport and digital connectivity constraints. She called for legislation setting out the same provisions for remote mainland communities as had just been introduced at the time for island communities (see Section 5).

At the same time, the Scottish Government's Rural Communities and National Rural Network policy teams are working closely with <u>Scottish Rural Action</u> and other stakeholders (including academic partners) to **create and strengthen a rural movement in Scotland**. <u>Work was undertaken by SRUC and Newcastle University</u> to explore rural movements across Europe and identify lessons for Scotland and a follow up <u>Strategic Stakeholder Workshop was held in Birnam in November 2022</u>. Looking ahead, the fifth Scottish Rural and Islands Parliament will take place in Fort William in November 2023.

As of March 28th 2023, Scotland has had a new First Minister, Humza Yousaf MSP. In his speech following the announcement of his victory, Mr Yousaf, who is MSP for an urban constituency (Glasgow Pollok), made a commitment to **tackle the rural housing challenge**.

The First Minister's vision for Scotland and the outcomes he and his government intend to achieve by 2026 were set out in April 2023 in <u>'Equality, opportunity, community, New</u>

<u>leadership: A fresh start</u>'. The document outlines a number of outcomes within the remit of Ms Gougeon as Cabinet Secretary for Rural Affairs, Land Reform and Islands (land reform being an addition to her portfolio in 2023), including reform of agriculture and crofting policy, introducing further land reform legislation, responding to the 2023 review of land-based learning and implementing the recommendations of the Werrity Review relating to grouse moor management and muirburn.

In addition to this, in the vision document the Cabinet Secretary for Social Justice, Shirley Ann Somerville MSP makes a commitment to publish a **Remote, Rural and Island Housing Action Plan** which will include support for community housing trusts and actions to allow suitable properties (including empty homes) to be purchased or long leased) and turned into affordable housing for those who need them in rural areas, including key workers). The Deputy First Minister and Cabinet Secretary for Finance, Shona Robison MSP, as part of her work on reforming public services, will publish a **Rural Delivery Plan**, showing how all parts of Scottish Government are delivering for rural Scotland. As well as policies on agriculture, land reform, marine and our Islands Plan, the Rural Delivery Plan will cover areas such as transport, housing, social justice, repopulation, digital connectivity and economic development. Finally, First Minister Humza Yousaf met with those organising the 2023 Scottish Rural and Islands Parliament in Fort William on 24 July to demonstrate his commitment to supporting and engaging with rural communities.

In addition to these Scottish Government commitments, it is worth noting that **UK Government investment** into rural (and island and urban) Scotland continues, through the City Region and Growth Deals (including in the Borderlands, Moray, Argyll and Bute and Ayrshire for example) and through the <u>Levelling Up agenda</u>. The latter includes investments in community organisations to take ownership of local assets and amenities that are at risk through the Community Ownership Fund, funding for two Freeports (including Inverness and the Moray Firth) and investment in the Spaceports and Space Hubs, including in Shetland, Sutherland, Argyll and North Uist.

Finally it is perhaps just worth referring to a couple of comments made by interviewees relating to the research and higher/further education landscape in Scotland. First, in terms of research, and particularly the <u>Strategic Research Portfolio 2022-27</u> (and previous programmes) and <u>SEFARI</u>, one interviewee commented:

"There is a much closer relationship between the Scottish Government officials and politicians and the researchers than there is in England, on the social science side anyway. In Defra its probably more scientists. I think there is better access to the policy officials in Scotland."

Second, in relation to higher and further education, another interviewee commented:

"One thing I did want to comment on which has been largely positive is the growth of locally based further and higher education across large parts of rural and island Scotland. Its not been done with a big song and dance but its become widespread and positive, though I've not seen anything to confirm that, I don't know for sure its good, I don't have the evidence, but I imagine it is. UHI, SRUC and UWS. The combined effect of these things must have been to create lifelong learning opportunities, the availability of post-school education in very remote areas right across rural Scotland, but I don't think its been particularly evaluated or necessarily well understood."

The report now turns to describe the much shorter evolution of islands policy in Scotland, before the final section provides some concluding comments and reflections on the future of rural policy in Scotland.

5. The evolution of islands policy in Scotland – a contrasting situation

In the run-up to the most recent referendum on Scottish independence in 2014, Scotland's island groupings of Orkney, Shetland and the Western Isles worked collaboratively to examine the potential for devolution to the islands (through the <u>Our Islands, Our Future campaign</u>), with some individuals even calling for island independence from Scotland¹⁷. This mobilisation was key to the subsequent Scottish Government commitment to decentralise some powers to the island councils and to recognise the specific characteristics of these island communities. The Scottish Government published the <u>Empowering Scotland's Island Communities prospectus</u> in June 2014 and then later that year the UK Government and the three Scottish Island Councils adopted a Framework

for the Islands which included island proofing as a principle, though this was not on a statutory footing. The Scottish Government consulted on provisions for an Islands Bill in 2015, including island proofing, and there was an announcement in the 2016-7 Programme for Government that an Islands Bill would be brought before Parliament.

In 2018 the <u>Islands (Scotland) Act</u> was passed to ensure a sustained focus across Government and the public sector to meet the needs of island communities, now and in the future. At the time of the legislation being passed <u>it was described</u> as <u>"unique"</u> and as <u>"one of the world's first and only place-based laws"</u> by Humza Yousaf the then Minister for



¹⁷ These calls have been repeated recently. See for example: <u>Orkney council to look at proposals to become</u> territory of Norway - <u>BBC News</u>

Transport and the Islands at the time (and now of course Scotland's new First Minister as of March 2023).

Most of the provisions of the Act came into force on 4th October 2018, including the development of a <u>National Islands Plan</u> (which was published in 2019) with 13 wide ranging Strategic Objectives covering a variety of issues that will improve the quality of life for island communities, including population decline (the issue that was the top priority identified by respondents during the consultation on the Plan), promoting sustainable economic development, environmental wellbeing, health and wellbeing, community empowerment; improving transport services and digital connectivity; reducing fuel poverty; and enhancing biosecurity. The National Islands Plan is subject to annual reporting and a five year review.

In addition, the legislation introduced a Shetland mapping requirement (whereby the Shetland Islands must always be placed in their correct geographical location on maps), the development of a scheme under which requests by local authorities for devolution of functions and additional powers may be made, and a duty for relevant public authorities to undertake <u>Islands Community Impact Assessments</u> (ICIA, island proofing) in relation to new policies, strategies and interventions, to explore whether they are likely to have different impacts in different island communities and between island and mainland communities. Guidance and a toolkit have been produced but this ICIA activity has not yet been formally evaluated. This is important to ensure that the commitment is meaningful and more than a tick box exercise, and to inform the recent decision to adopt a Rural Lens approach to the <u>NSET</u> projects.

Just under one year after the publication of the first National Islands Plan, in Autumn



2020, a National Islands Plan Survey was sent to 20,000 residents across Scotland's (permanently inhabited) islands (Scottish Government 2021). The objective of the Survey was to improve understanding about living on Scotland's islands and to gather baseline data against which to measure the success of the Plan. Over 4,300 people responded to the survey from 59 islands (a response rate of 22%) and a range of issues were raised including a lack of support for young people to remain in, move or return to the islands; a lack of employment, training, higher education and appropriate childcare; a lack of affordable housing and a poor variety of housing types, sizes and tenure to meet peoples' needs; mixed experiences with accessing healthcare services; the speed and

reliability of internet connections; and inadequate infrastructure provision to meet tourism demand. The Survey also highlighted the need to challenge some traditional assumptions about Scotland's islands. For example, in contrast to the common assumption that many people rely on more than one job in the islands, the survey found that this was only the case for one in five respondents. The survey also found that most respondents planned to stay on their island for at least the next five years.

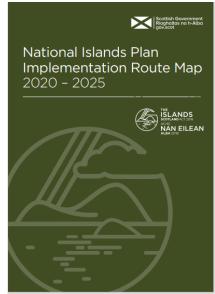
The data from the Survey confirmed the need for future recommendations or policies to recognise that life is different in each island group and that different age groups have distinct experiences of island life. Therefore, tailoring to each island group and different age groups is appropriate. A new survey is currently being commissioned to take place later in 2023.

The commitments in the <u>National Islands Plan</u> are underpinned by a range of further actions (as set out in the <u>Implementation Road Map 2020-25</u>), including, for example, a focus on rural and island depopulation through the Addressing Depopulation Action Plan. A recent report completed by an <u>SRUC-led international research team exploring</u> approaches to island depopulation in Japan has informed this work. There is also work underway with young islanders to encourage them to stay or return (for example, through the creation of the <u>Young Islanders Network</u> by Scottish Government and Youth Scotland) and supporting the attraction and retention of Gaelic speakers in Gaelic-speaking communities. Two annual reports on the National Islands Plan have now been completed (for <u>2020-21</u> and <u>2021-2</u>), and a third should be available shortly. The Scottish Parliament's Rural Affairs, Islands and Natural Economy Committee <u>held an evidence session</u> in May 2022 with the Cabinet Secretary for Rural Affairs and Islands Mairi Gougeon on progress during 2021 with the National Islands Plan.

These policy commitments are underpinned by a range of islands-specific funding

streams such as the <u>Islands Green Recovery</u> <u>Programme</u> and the <u>Island Communities Fund</u>, and research- and evidence-related activities, including the <u>National Islands Plan Survey</u> of residents across Scotland's islands in 2020-1 (which achieved 4,300 responses), and the publication of <u>Islands Spotlight</u> <u>reports</u> in early February 2023. Amongst other things, this evidence-gathering highlights the diversity amongst Scotland's islands and island groupings and the need to tailor policy interventions appropriately.

The Scottish Government also announced its intention to create three **carbon neutral islands** by 2040 in its <u>2021-</u> <u>22 Programme for Government</u>. The commitment has



since been extended to have six carbon neutral islands and these were named in May 2022 (Hoy, Islay, Great Cumbrae, Raasay, Barra and Yell) and a <u>progress report</u> on this work was issued in January 2023.

As one interviewee commented in this study:

"The focus on islands is interesting and relatively recent. I think successive Scottish Governments thought the HIDB could deal with the islands. Orkney and Shetland have always had very capable local authorities, they are very well governed. For the Outer Hebrides the geography is harder in my view, and they have always been poorer... I think the island proofing is very very welcome, as long as Scottish Government doesn't try to make one size fit all and assume that the same thing has to be done for every island. It's a fantastic commitment if its taken seriously and diversity is recognised."

6. Concluding comments: What does the future hold for rural and island policy in Scotland?

This report has reviewed the evolution of rural policy in Scotland since the Second World War. It also describes the much shorter history of island legislation and policy since 2014. Drawing on the evidence presented here, a number of concluding points can be made, reflecting on these different histories and suggesting how policy may evolve in future.

First, despite the publication of a number of high-level documents over the years (in particular before 2011) and the review work of the OECD and a number of other advisory groups, rural policy has remained under-developed and **Scotland does not have a clear vision and strategy for its rural areas**. Since the introduction of the National Performance Framework, the principle approach has been one of mainstreaming rural considerations, with some rural-specific funding streams and programmes, often introduced as commitments in annual Programmes for Government. This contrasts with the dedicated legislative and policy focus on islands through the Islands (Scotland) Act 2018, the National Islands Plan and Islands Community Impact Assessments.

Second, it is important to note **the influence of both Europe and Westminster** in Scotland's rural policies and areas, with some of the early rural documents (pre-Scottish Parliament) being published by the UK Government (often at the time of a change of Minister or Government), and of course the importance of CAP and Regional and Structural Funds in Scotland's rural - and indeed island - communities. Decision-making on rural matters has therefore often been outside of Scotland in either Westminster or Brussels. As one interviewee commented:

"There has never really been a period up until now when Scotland had a free hand to do what it really wanted and what was totally focused on an intervention logic derived from a full understanding of the issues in Scotland."

Third, **governance has always been predominantly top-down**, whether that is from Edinburgh, Whitehall or Brussels. As one interviewee commented:

"The centralised power, whether that be Edinburgh or Whitehall, it has always been a top down kind of policy. Local government or any other locally-based quango has never had much power. If you compare that with the situation in other EU countries, it is extremely centralised and I think its because of that that the third sector has developed to fill the vacuum in terms of local responses to local needs."

Another interviewee commented - interestingly in relation to the islands legislation and policies - that the situation is akin to the theoretical concept of neo-endogenous or networked development, but with the balance too much in favour of the exogenous/top-down:

"... there is a strategic framework for islands but how it plays out is a combination of island communities getting more attention and support for them to decide their priorities. So the ferries fiasco comes along and the centre invests in ferries in this way, but what they have invested in is not what's needed... Still the mindset that the way you do policy is most of it is controlled at the centre, and you...if you are serious you have to have legislation... you have to have a clear strategy, but the centre still takes the lead about what things to put in place. If you don't put it in at that stage that this is community dependent, you get the backlash that you've seen unleashed recently [in relation to the Highly Protected Marine Areas].

Building on this point, several of the interviewees reflected on the local government setup in Scotland, commenting that there is effectively no governance level between the Scottish Government and the 32 local authorities, which are relatively limited in terms of what they can do. Interviewees contrasted this with the situation in the Nordic countries where local government is much *"lower and closer to the people"*. One interviewee went on to say:

"Its not just about responsibilities and capabilities on paper, its also a question of how the staff think and that connects back to people who have been involved for a long time, and their legacy... Because even if you gave a lot more autonomy to the 32 councils overnight, it would take some time to build that expertise and that way of thinking about how can we respond to local needs here, and what tools do we have. 32 is also probably not enough. Highland for example is a variegated monster! Learning about local autonomy and local democracy from elsewhere is really important." Linked to this, one individual during the interview commented on the changing shape and size of local government since the Second World War with Scotland having a very local county level of governance up until the 1970s, when a two tier structure was created with regions and districts. Gradually over time this system became burdensome and bureaucratic and changes were made in the run up to the creation of the Scottish Parliament. However, even amongst the interviewees for this paper, there were differences of opinion about the pros and cons of small-scale local governance, from decisions being made closer to the people to limitations of scale and resource.

Fourth, despite the lack of a coherent rural vision and policy, **Scotland's rural areas have been impacted by developments in other policy domains**, including land reform, community empowerment and planning. Land reform legislation and associated institutional and financial support for communities over the last 20 or so years, for example through the Scottish Land Fund and HIE's Community Land Unit, has been critical in enabling many rural and island communities to take over the ownership and management of their land. One interviewee also commented on recent planning reform and the introduction of Local Plans, arguing that they could potentially be a powerful tool in terms of place-based policies for rural Scotland but they are:

"within a whole text and way of thinking which is planning, which is different. And I am not sure if those planning documents are visionary or ambitious or are they regulatory?"

This demonstrates, however, that rural policy remains, to use Jordan and Halpin's term (2006), very much a byproduct policy, rather than rural forming a dominant policy in itself. These rural impacts, along with rural-specific commitments in successive Programmes for Government, for example relating to housing or broadband, have never been formally organised into a coherent, over-arching rural statement or policy. Moreover, as tangible interventions instigated by other policy domains, they remain somewhat distant from the high level objectives included in documents from the 1990s and 2000s in particular. There is always the risk with a mainstreaming approach that rural places and issues are sidelined and forgotten, and that specific monitoring and evaluation for rural places is hard to achieve. Again, this can be contrasted with Scotland's islands for which there is annual monitoring of the extent to which the National Islands Plan Strategic Objectives are being met, a five year review, and a large-scale biennial survey.

Fifth, the policy documents issued since the Second World War and reviewed here have **not been the subject of formal evaluation**. They are high level principles and objectives so perhaps hard to evaluate in detail but this lack of evaluation makes it hard to build in any learning in future policies. Evaluations have been undertaken of some specific interventions – LEADER and CLLD programmes being a good example – but these are now hard to find either in paper form or electronically.

Sixth, there has always been a **strongly sectoral (i.e. agricultural) focus to rural interventions** in Scotland, for a number of reasons, including the influence of the CAP and the ongoing strength of the farming lobby. As one interviewee commented:

"The place-based territorial policy has always been a weak, underfunded second best; its had its moments but its always been playing second fiddle to the sectoral piece, largely because of the farming lobby."

Looking forward, there is <u>work going on currently to create and strengthen a rural</u> <u>movement in Scotland</u> which brings together all of the different rural groups, including land-based activities, to build stronger bottom-up voices for rural issues. It is worth noting again how important the mobilisation of a collective voice for the islands was in the runup to the 2014 independence referendum in terms of subsequent Scottish Government island commitments.

Seventh, **the introduction of the rural lens process** for projects funded by the NSET (with Cabinet Secretary approval) in late 2022, may signal a shift in the mainstreaming approach taken by Scottish Government. Indeed <u>a recent statement from Cabinet Secretary Mairi Gougeon in support of SRUC's Rural and Islands Insight Report 2023</u> confirmed that the Rural Delivery Plan (a commitment set out in the <u>First Minister's vision document</u> published in April 2023 which will set out how different parts of Government are delivering for rural), *"will ensure that a rural lens is applied to all ongoing policy"*. This rural lens work is being led by the Scottish Government's Rural Economy Team, with some external academics providing some advice and support¹⁸ and the statement suggests that the document may represent a move towards creating a more coherent vision and set of policies for rural Scotland, perhaps akin to the National Islands Plan.

This rural lens work is taking place in parallel with the European Commission's commitment to rural proof European level legislation in its Long Term Vision for Rural Areas, and to require Member States to do likewise to help boost rural revitalisation. The European Network for Rural Development has recently done work on rural proofing to inform the Commission's approach, including reviewing how rural proofing has been adopted in other countries. While this is not yet a legislative rural lens commitment in Scotland, like that to undertake Islands Community Impact Assessments since 2018, it does signal an important commitment from Scottish Government going forward. It will be interesting to see whether there is a commitment to review the Rural Delivery Plan and how different government departments are applying the rural lens guidance and delivering for rural on an ongoing basis; the National Islands Plan is subject to annual reporting and a five year review. The National Islands Plan Survey also takes place every two years

¹⁸ This is being undertaken through a <u>SEFARI-funded Strategic Advisory Group</u> project led by Jane Atterton at SRUC. Group members (Mark Shucksmith, Sally Shortall, Lorna Philip, Mags Currie and Ana Vuin) are providing advice and input to inform the Rural Economy Team's approach to using the rural lens approach.

(the second survey is planned for Autumn 2023) providing an important evidence base for islands policies and plans. Added to this, SRUC's <u>Rural and Islands Insights Report</u> 2023 makes a significant contribution to improving the evidence base for both rural and island communities.

Eighth, **maintaining links with, and the potential to learn from, other European countries** (and indeed beyond Europe) is important despite the UK's exit from the EU. A couple of interviewees commented specifically on what Scotland might learn from elsewhere in terms of rural policy interventions. Several pointed to the Nordics, particularly in terms of the very different local government set up. Another mentioned the Italian Inner Areas programme¹⁹ which, although quite top down, is based on a systematic analysis of rural trends and problems which informs a clear intervention logic and theory of change. In his view, this analysis and creation of a clear logic is not always evident in policy formation in Scotland, and indeed in many countries, often due to political cycles. If it was, he argued that it would likely lead to much clearer and more impactful policies. Building on his argument, learning from others about all aspects of rural policies, but particularly how to create a meaningful theory of change and intervention logic, will be important in future. This may be worth exploring in more depth in relation to applying the rural lens for example, or in future CLLD programmes.

Ninth, it became apparent while undertaking this review that **many of the documents referred to, particularly those from the 1990s and 2000s, are no longer available online or indeed in hard copy**. It was also very difficult to track down any evaluations of their impact, which may be because these weren't regularly undertaken, or were undertaken but not made publicly available, or were undertaken but have been lost. There are a few individuals, some of whom were interviewed for this work, who have detailed knowledge of these documents and in some cases still have hard copies of them. While the political, policy and socio-economic context has changed substantially since many of them were 'live', there is still the potential for important learning from them, and this opportunity should not be lost. The SRUC research team are exploring whether we can have a dedicated area for them on the <u>Rural Exchange</u> to make them accessible to everyone, and perhaps to hold hard copies of them in our library at Kings Buildings campus.

Looking ahead, rural and island communities across Scotland are facing ongoing and long-standing challenges – including access to affordable housing, maintaining local services and infrastructure, demographic ageing and decline, a limited economic and employment base, poverty and financial exclusion, and connectivity limitations (physical and digital) – as well as newly emerging challenges and opportunities, including: relating to meeting net zero goals (such as providing locations to expand the availability of local

¹⁹ There is more information about this programme online here: <u>1.2 Promoting Growth.pdf (oecd.org)</u>

healthy food and increased employment in growing sectors such as peatland restoration and nature-based activities where new skills and knowledge will be required which may demand new/extra training); tackling challenges such as water scarcity for households with mains supplies and for those on private supplies particularly in areas where there is high seasonal demand from visitors; addressing pandemic-related isolation and mental health concerns; facilitating the potential for people to work in different and more flexible ways; and offering interesting locations for exploring 20 minute neighbourhood and community wealth building principles.

As mentioned before, we are moving into a period of time when the Scottish Government is reforming agricultural policy following our withdrawal from the EU/CAP, is developing its Rural Delivery Plan and Remote, Rural and Islands Housing Plan, has made a commitment to apply the rural lens to all policy areas, and when the commitment to undertake ICIAs is continuing and the National Islands Plan will be reviewed in the next two years. Delivering a just transition to net zero and reducing inequalities are key overarching policy commitments.

For one interviewee, tackling the issue of scale, though, is critical:

"the one challenge, a number of recent programmes have offered hope that they are more rural equitable, but have failed to deliver equity because they failed to address the issue of scale. We can now show business to business that rural businesses have no inherent weakness in innovation or in trading or whatever. But the reason that those businesses aren't given the resources or access to the programmes with the resources that the urban businesses get is simply because, barring politics, its simply because there is more of the urban businesses and they are more visible and the rural is still losing out and more money goes to the urban areas. And that's the challenge of scale and I don't feel on a number of issues across rural areas we have yet found a way of attracting the same attention and the same recognition."

For another interviewee, taking a place-based holistic approach to the issues is the most critical thing:

"... the changes we need to embrace in this generation and the next one, getting to net zero, dealing with fuel poverty, dealing with major failings in the care sector, we have got major emerging issues in the health sector... In my view, successive Scottish Governments have not sat back enough to understand the critical connections between population, decline or growth, and population ageing, housing and jobs, and by jobs I mean in the private sector economy, the social economy and the public sector. Its only now when we are facing real challenges that the failure to understand the linkages across these issues are landing us in

deep trouble. We are facing a major challenge in [his local area] in terms of the shortage of housing, it is profound, the biggest failure, the serious inadequacy of investing in all aspects of housing, social housing through to owner occupation. The interfaces have been missed until now. The population in [his local area] has doubled but the housing hasn't. Businesses can find employees as there is no unemployment. No empty housing of any kind and Brexit has come along and there are no European workers on short term stays and so the growth of the private sector is being constrained and the same for central public services. The care sector is in a dangerous position as it can't find replacement workers, none of the hotels and restaurants are able to open the days or hours they want to, but worse than that, the new hospital in Broadford is only able to operate at 50-60% capacity as it doesn't have enough workers, from consultants to doctors, to nurses and cleaners. It is short of 64 people at the moment.... Government is disjointed, it should have done something years ago on short-term lets. And same with the ferries, there has been a total failure of successive governments to understand the criticality of ferries to island life. Unjoined up thinking is holding back the future prosperity of much of rural Scotland."

Creating such a holistic, coherent dominant (rather than byproduct) rural policy will be challenging. Policy decisions in one area may undermine or conflict with preferences in another area, and it requires joined up thinking across Government. Moreover, given the sheer diversity of rural communities across Scotland²⁰, it is questionable as to whether it is even possible to write one coherent rural policy or have one clear vision for rural areas. However, the Rural Delivery Plan perhaps offers a real opportunity to bring all of the issues together into one integrated document. It will be interesting to see how this document compares to the National Islands Plan in its format, scope and content.

Whatever its scope, the document provides an opportunity for Scotland to move beyond the traditional sectoral focus in its rural policy and beyond rural being a product policy to having a forward-facing and positive vision statement accompanied by a meaningful and holistic plan for its rural areas, which acknowledges the challenges but at the same time focuses on the opportunities and assets of Scotland's rural communities.

²⁰ SRUC's <u>Rural and Islands Insights Report 2023</u> demonstrates this diversity very effectively through presenting statistics and maps on a wide range of critical topics, including demographic change, housing, transport and businesses. Some of the analysis in the report builds on a new analytical framework which effectively enables remote and very remote mainland locations to be separated from islands to allow for a much more in-depth analysis of how these mainland locations are performing socio-economically.