

Additional Input to the NCRA's 'Rural Thinks' Stakeholder Engagement process

May 2018

Introduction

The NCRA will be publishing their discussion document informed by their Rural Thinks workshops in mid-June 2018; it will then go out for consultation. The Scottish Government identified five groups that were under-represented in the 'Rural Thinks' workshops whose perspectives need to be included in the discussion document. These five groups are: young people, women, disabled people, older people/elderly and low-income households. Young people have been covered by the NCRA. To address the other four groups, The Lines Between were commissioned to undertake four interviews with representative organisations. The interviews sought to identify the challenges faced for the specific groups in the rural economy, and what needs to change/improve to make the rural economy more inclusive. The following three organisations were interviewed: Women's Enterprise Scotland, Age Scotland and Citizens Advice Scotland. Inclusion Scotland, while successfully contacted, has not been interviewed in time to be included in this report. It is hoped that an interview will be secured shortly.

The following sections provide an overview of the interview discussions.

1. Women

Women's Enterprise Scotland (WES) is constituted as a community interest company. They undertake a variety of activities, all of which are in pursuit of their strategic objectives of creating an environment where more women can start up a thriving business in Scotland, whether that's getting help with their original business idea, or to use existing skills, or supporting women who have successfully started up a business to grow and access resources. They also support women who are starting up business which are scaling very quickly or are running larger businesses. There is a general misconception that women are less likely to want to grow their businesses – WES have found that over 80% of the women-owned businesses they work with want to grow.

The main challenges or issues for women in rural areas

For the women who engage with WES the challenges are:

- **Infrastructure** (transport): particularly those that are in the islands or the likes of Argyll, it's a long journey to get any sort of urban connectivity.
- **Digital connectivity**: The issue is those communities that don't have it; arguably the most remote and those that are usually in the greatest need. From a business perspective, **digital is critical**, if you're trying to run a business on dial-up or slow broadband, poor connectivity is a significant barrier. If it's not there then your digital marketing isn't going to be as simple and straight forward as it could otherwise be.
- **Childcare**: while the SG is progressing with early years childcare support it remains a big issue. In the context of running a business, trying to do it is incredibly tough, you often get into the chicken and egg situation - how do you pay for the childcare provision if you don't have income or a business up and running? Most women are very **risk-aware** (not risk-averse), very aware of the financial risks and therefore unlikely to take a leap of faith to book in child care and pay out money when they don't have any certainty of the money coming in. People often talk a lot about **women's confidence** - but when you start to break that down, it's more

women’s realistic assessment of what they do have and what they don’t have that really impacts their choices.

- **Representation:** one of the biggest challenges is representation. Women look at the rural business landscape and do not see themselves reflected in that, e.g. how many women living rurally do you see turning up at business meetings with their children? A lot of the rural economy is focused on agriculture and agriculture is a very traditionally male community, roll that out into the wider rural context, there’s a sense of it feeling very unwelcoming and unsympathetic. Women are having different conversations that often aren’t valued. You could argue that if you could make the environment more welcoming, to nurture people’s ambitions, to make them feel credible and welcomed and supported by that network, it would go a long way to harnessing the voice for improved for improved digital and for improved infrastructure. Because the environment generally is unsympathetic and unwelcoming and just not intuitive at all, you then get to the case where women opt out of engaging, they think it’s too hard. WES believe it is necessary to collectively line up and have a Scotland-wide network of support for women to harness their ambitions.
- Length of time it takes for **supply chain payments** to come through. There are organisations that are poor at paying and for those inexperienced in business some of these aspects to business life can come as quite a shock. They can be the making or breaking of some smaller enterprises, just one person withholding payment for an order or delaying it can cause a serious impact.
- **Skills gaps:** women often start up business because they’re passionate about a particular area or they want to harness their skills, they rarely come with a desire to learn about all the financial implications, the paperwork etc, so generally, most have a real skills gap around financial management, not just basic accounts, but the reality of business financial management, chasing people, and knowing where to go to for support.
- **Employment opportunities:** You have very restricted employment opportunities in a rural economy, and for many women your skill-set will be disconnected from the skill sets that are required for the jobs available. Many women find themselves taking what’s available (often part time) and largely not using their skills. There are definite employment disadvantages for women; it’s often difficult to find a good part-time job and the concept of job-share should be catching on much more rurally, but it isn’t. It’s about trying to open-up those mindsets whilst also trying to encourage people to invest in new models like job-sharing, to show that it can be done. The whole concept of a job for life is gone and people are talking more about a ‘portfolio career’ where you work for several employers. WES have noticed the development of the self-employed economy where people will switch between self-employment and employment much more frequently.

What needs to change?

- **Childcare:** more 9am to 5pm care for children, perhaps giving out free child care for new business start-ups. Providing up to five months of free child care to get your business up and running.
- **Enterprise hubs and incubators,** currently located in areas that are difficult for women to reach; the rural area could be ripe for enterprise incubators and hubs, possibly with a creche attached, or set up beside the school nurseries allowing women to making the most of the few hours of free time available - leveraging the value of that. Need to start changing the mentality that may work for a small young male proportion of the economy but doesn’t serve the needs of everybody. Look at success of the **GrowBiz model**, a community-led enterprise model which has created a buzzing community full of micro-businesses and entrepreneurs in a remote part of Perthshire, all supporting each other. They have a women’s support network and a health support network for people with disabilities. That type of community-led approach can be the difference between success and failure.
- **Improved skills development:** e.g. financial awareness, from running a business at the start and understanding how to do your tax return, to keeping accounts.
- **Better support networks:** providing that informal support and skills development as well as the formal skills development. Business Gateway provides courses for many aspects of business but lacks a **women-specific training offer** providing women the choice. WES research shows that women-only is regarded as a safer environment, people will learn better, and they’ll also form a network from going to a training course, so it’s

not just skills in isolation, it's how you're learning and getting the maximum out of the investment that the Government is putting into a training programme. Scotland has a good support infrastructure for start-up businesses, but for women that learning environment isn't as conducive as it could be. WES have spoken to women that say they feel less confident in a mixed environment, in gender-specific they would learn better, and develop better on-going networks - the one size fits all approach does not work. There is a need for better networks and mentoring support. Mentoring can really underscore and help plug the skills gaps, sometimes arguably better than training courses. WES has found that there's a real need to professionalise mentoring delivery to train people as mentors, and to train the mentees, so people are going into that relationship with a common understanding – and there is a need to offer the choice of women to women mentors.

Specific policy ideas or statements

- As mentioned above there is a growing appetite for **gender-specific support**. WES are campaigning for women to be recognised as a growth sector of the Scottish economy. The current contribution from women-owned businesses in £5 billion. WES believes gender-specific support should be offered to women, setting up a national business centre of expertise in women-owned businesses and having local hubs so that women can access gender-specific support face to face and digitally. If women started up businesses at the same rate as men, then an additional £7.6 billion would be added to the Scottish economy (research is a bit out of date now so that number could be significantly higher by now). WES believe that if you help women to feel confident and empowered, you will bring together communities (particularly in rural areas). Often, it's women coming together that will do the regeneration of communities; that is the broader value. This is about starting to harness women as a key resource across all communities, and then linking them all up digitally.
- **Access to finance**. there's a definite need to provide **micro-finance**, for example, to help women get started. E.g. micro-grants of £250 – they can provide the validation that somebody is prepared to give you that money. There's a critical gap for rural enterprises to be able to access small micro-loans and grants to get businesses started and to get communities thriving. That should be a key focus of any new Scottish National Investment Bank.

2. Older People

Age Scotland is Scotland's largest charity focused on the needs of older people (everyone over the age of 50). They have various services and projects that they operate covering a wide variety of issues. They have networks of groups across the country, many are in rural areas, the isles and remote parts of Scotland

The main challenges for older people and the elderly

- **Transport and access to it:** For older people over age of 60, while they are given a free bus pass the issue is in relation to the lack of choice and quantity of public transport. They are unable to access bus services for when and where they need to go. This is coupled with limited community transport that they can use with entitlement card. This issue is compounded if they don't drive, the cost of driving can be quite inhibitive leading to isolation and loneliness. There are many single older people who are easily disposed to be lonely and with limited transport and rising health issues it is a massive public health problem. This is prevalent across urban and rural areas but particularly issue with rural and remote.
- **Closure of public services:** community centre, libraries, bank branches etc. It is difficult to cope with in rural Scotland, footfall is falling in branches and those that need it the most don't seem to count. Rural Scotland is disproportionately affected by these kinds of issues and older people are disproportionately still in need of them, largely because they are on lower or fixed incomes, using cash as the best way for them to budget - having lack of access to these services makes it difficult.
- **Closure of local libraries and community centres:** removal of sports classes and health classes for older people, another factor that has a big impact on loneliness and isolation. Also, reducing the number of older

people out in the community reduces the amount of money they are spending in the community at cafés and other local shops etc, leading to a reduction in support and income for local small businesses.

- **Fuel costs are high for rural areas:** both for transport and heating homes. In many rural areas oil tanks are used, often at a higher cost. Heating homes that are not as efficient as they could be, which can increase costs. There is also a lack of accessibly housing for older people. Urban developers build better housing, but not rurally because there is not a big enough return on investment, coupled with councils not building homes any more, this limits supply suitable for older people.
- **Childcare:** prevalent across all areas (not just rurally). Older people providing caring and childcare roles is on the increase. As childcare costs increase, older people spend more time looking after grandchildren. There are two elements to this; while it's welcomed by many older people who want to be involved and support their children, a lot are not compensated for their input, which impacts on their own income levels. As older people are having to work longer due to cost of living, reduction in pensions and increased life expectancy, and a reluctance to retire (often a trigger for loneliness) they also sometimes feel obliged to help. Age Scotland are aware of people giving up work when they don't want to because of caring and childcare responsibilities. Some also feel obliged to move to where their family has children, accommodation might be more expensive therefore having a financial impact on them too.
- **Housing needs** Lack of other options for people to go to, i.e. the housing stock available.
- **Retirement:** Older people may retire to a scenic area but many do not think things through thoroughly – particularly in relation to their circumstances changing in the following 10 to 15 years. For example, they may not have considered the poorer access to health services, the proximity of the nearest town where local health and other services are available, e.g. access to a GP surgery. But also socialising and access to public transport if they lose the ability to drive.

What needs to change?

- **Improved Access to health and leisure services:** Finding out what's on and when, they have to know where to go to first. Many older people don't always know how to use internet effectively, definite barrier when thinking about accessing an area's social Infrastructure.
- **Lack of care services / workers:** volume of the social care workers doesn't necessarily exist. While free person care is offered, there is not always the supply in rural areas, so people may need to move into care homes prematurely.
- Making services **dementia friendly.** Services (including public services) need to look at the language used, how they promote services, thinking about how things are presented and how they will consume information, particularly in rural areas. Services need to strive to be more inclusive.
- More opportunities for **social engagement**, and councils could make better use of the Community Empowerment Act. More accessible local places for people to meet and socialise and spend their money locally in cafes etc.

3. Low-Income households

Citizens Advice Scotland is the national umbrella for Citizens Advice Bureaux across Scotland. The organisation has 79 offices, with 250 points at which people can seek advice. They offer free impartial, independent advice on any issues; however, the main issues people approach them about are: benefits, debt, housing, employment and legal issues. They have services in 30 of the 32 local authority areas in Scotland, only South Ayrshire and Inverclyde do not have them available. They have four CABs in the Western Isles including Orkney, Skye and Shetland, and provide a disproportionately high amount of advice in rural areas; they have a good reach of people in rural Scotland.

Useful Reports:

- 2018 – **Disconnected** - Understanding digital inclusion and improving access
- 2016 - **Round the Bend** – looking at Scotland's bus services
- 2015 – **Remotely Excluded** – looking at the advice needs of those living in rural Scotland.

The main challenges facing low income households

- **Food costs:** one of the CABs in Dumfries and Galloway (D&G) did a cost of living report. They gave advisors a shopping list to use in various shops across D&G. They found a rural premium existed; in Dumfries the basket was £10 but elsewhere more rural, the same basket cost £22. They have repeated that research this year, data is not available yet. Food costs are surprisingly important one, big concern for low-income households.
- **Housing costs:** There is a big premium on properties in rural Scotland; Halifax Bank of Scotland did some research that found that housing is 17% more expensive in rural areas. This is coupled with a lack of affordable housing. Young People state this as a major issue which is pushing them away from living rurally.
- **Energy:** 35% in rural Scotland live in fuel poverty i.e. spending more than 10% of income on fuel. This is largely due to inefficiency of homes in rural areas, difficulties of improving efficiency in homes – government efficiency schemes tend to work less well in rural areas. A high proportion of householders are off the gas grid, so 31% rely on heating oil and prices can be quite volatile. Often need to make big purchases before the winter, and they can struggle due to fluctuations in prices.
- **Transport:** petrol prices are more expensive in rural areas. Buses / public transport is a huge issue for a lot of people. Buses are not available or come at the wrong time. It's difficult to find out about fares and routes. CAS did a follow up report to the 'Remotely Excluded' report called 'Round the Bend' in which they got local CABs to go out to local routes. They looked at 1000 routes, at the costs and length of time for each route, costs to get to doctors, supermarkets, hospitals, all the essential amenities and services. They have repeated it this year, including buses in rural areas – report not available yet. Key findings from 2016 report include:
 - 38% of locations surveyed had no Sunday service that connected them with local hospitals
 - In remote rural areas the median cost of a return ticket to the nearest Job Centre was £9.00
 - Consumers in the rural areas surveyed face an average 40-minute round trip to access the nearest bank branch
 - Residents of rural areas were on average 5 miles from the nearest GP surgery
 - College students in remote areas on average face journey times of over an hour and at a median cost of £10 return

If communities don't have accessible bus services people are not able to take up working opportunities. This is a big issue for students. Rural students often paying a high amount of their income to attend college, impacting on people's opportunity to take up education, training and employment. Young people affected by high costs of getting to college are having to move to urban areas to get education, leading to a brain drain of rural areas.

- **Broadband:** 2018 report, Disconnected, looked at 1100 clients interviewed, looking at digital access and skills. Only 18% never use the internet, and a third lack basic skills. The report found that those in rural areas are more likely to experience barriers such as signal, and accessibility of broadband, rather than a lack of skills or willingness to use the internet.
- **Delivery charges:** One of the CABs in Skye highlighted a significant surcharge included for their deliveries. They did a national survey, with 2000 respondents, which found that around one million scots in rural areas have surcharge because of living rurally. Largely based on people's postcodes. e.g. highlands sharing postcode with Orkney.
- **Banks and Post Offices:** big topic at the moment as more and more banks and post offices are closing their local branches. CAS is giving evidence next week and are currently gathering evidence / feedback on the impact of losing local banks. Also linked closely with the increases in the closures of the local post offices, some areas now have neither. Reducing communities' / people's access to services, culture and viability of other services and businesses too. These create community hubs in a small place, if they are taken away what impact does that have on social infrastructure and the local economy? The CAS recently did some work on what people think of post offices, including looking at the rural aspects. A lot of Post Offices are part of cafés and shops, so removing them can have a knock-on effect on their viability.

What needs to change?

- **Energy:** the Scottish Government has a new energy efficiency scheme; the CAS has a policy team speaking to them and calling for a target on the rural aspect of fuel poverty; energy schemes are not suitable for those off the gas grid who don't have the standard suppliers. They are looking into options such as heating oil clubs, community solutions, the provide room for manoeuvre.
- **Community solutions:** where there is a community solution that is supported. One or two people have a good idea, but they may not always have the resources to push it on – so it's about supporting sustainable community solutions e.g. on energy, dial a bus public transport etc.
- **Connecting transport and integrated planning:** People tell the CAS that transport is not at the right time, so they can't get to work or college, buses don't connect with trains i.e. a train leaves 10 mins before a bus gets to the station, it would make people's lives easier if transport planning was done better. Connected to this, infrastructure and transport need to be better coordinated - ensuring local transport links/options are connecting local people to essential services like hospitals.