

NATIONAL ECONOMIC FORUM – TWENTIETH MEETING: 16 MAY 2018

DISCUSSION REPORT: The National Council of Rural Advisors (NCRA): ‘Changing the Rules of the Game’

Host: Fergus Ewing MSP, Cabinet Secretary for Rural Economy

Facilitators: Alison Milne, Co-chair of the NCRA; Sarah Simpson, NCRA member

Summary

During their discussion group, “Changing the Rules of the Game”, which was hosted by the Cabinet Secretary for the Rural Economy Mr Fergus Ewing, the National Council of Rural Advisors (NCRA) discussed visions and challenges for the Scottish rural economy. Participants agreed that for a vibrant, sustainable and inclusive rural economy, rural areas needed to attract more (young) people and promote the advantages of living in rural Scotland better. According to the participants, main barriers for the rural economy, among others, are a lack of (in)formal networks, flexible business support strategies and the decline of the population in working age. Attendees asked the Government to create an overarching vision for rural Scotland and implement policies to enable this vision. Policy ideas ranged from tax incentives for companies to locate business in rural Scotland to promoting projects that benefit communities directly.

Introduction and Background

The NCRA was established in June 2017 by Mr Ewing, Cabinet Secretary for the Rural Economy, to provide evidence based advice to Scottish Ministers. The group’s aim is to explore the implications of Scotland leaving the EU for the rural economy and to provide recommendations for a sustainable and inclusive rural economy. At the National Economic Forum, the NCRA facilitated a workshop that was hosted by Mr Ewing to discuss visions and challenges for the rural economy and policy ideas to help rural Scotland reach its full potential.

Topics discussed:

After a short introduction by Fergus Ewing and Alison Milne, co-chair of the NCRA, the participants of the workshop discussed three main themes: their understanding of the rural economy; barriers to a more sustainable, vibrant and inclusive rural economy; and best practice policy examples and ideas.

Participants identified the following elements as being fundamental for a **more successful Scottish rural economy**:

- Provide entrepreneurial skills (e.g. supported young enterprise scheme);
- Inward investment and business support;
- Attract and retain (young) people;
- Greater emphasis on manufacturing;
- Promote lifestyle/ wellbeing advantages of rural Scotland better such as standard of life, smaller schools, community sense, less traffic, etc.;
- Improve connectivity both physically (infrastructure) and digitally (broadband);
- Better use of natural assets.

Members of the workshop believe that in order to communicate the success of the rural economy, more use needs to be made of case studies, story-telling and (social) media. A

national marketing strategy was suggested and more data requested that can capture the social and cultural impact of rural economy going beyond Gross Value Added figures.

During the workshop, participants identified the following **barriers** that hinder the Scottish rural economy from reaching its full potential:

- Organisational culture that is disengaged with grassroots and lacks (informal) networks and collaborations;
- A lack of joined-up working of national agencies;
- A lack of flexible business strategies going beyond a focus on growth and employment targets;
- Decisions lack long-term dimension and are characterised by “silo mentality”;
- Lack of skilled labour and incentives/ jobs for families to stay and work in the area.

Participants were asked to provide best practice examples and ideas for policies to make the Scottish rural economy more vibrant, sustainable and inclusive. **Best practice examples** included:

- Norwegian rural and regional policy that supports innovation, entrepreneurship and municipal business development funds;
- The Rural leadership program in Scotland;
- The South of Scotland Economic Partnership that presents opportunity/rural people celebrating value and success and telling a new story/changing the culture.

Ideas for future policies included:

- Tax incentives for existing businesses to locate in rural Scotland;
- Projects that feed back into the communities;
- Bottom-up approach;
- The Government needs to set a vision and help to enable rural economic growth.

Closing Comments

Mr Ewing thanked all participants and the facilitators for their contribution and ideas. In his closing comments he particularly focused on the role of broadband connectivity as “the internet transports our thoughts and ideas”. The Cabinet Secretary asked the participants to reflect on the opportunities that broadband would offer once the whole of Scotland was connected. Alison Milne thanked the participants for their input and announced that the NCRA discussion document would be published for public consultation in mid-June.

**Scottish Government
May 2018**