

SCRUTINY REVIEW OF THE RURAL ECONOMY

FEEDBACK FROM THE YORKSHIRE AND HUMBER RURAL AFFAIRS FORUM

25th SEPTEMBER 2007

The following report summarises feedback from the workshop held with the YHRAF on 25th September 2007 as a contribution towards the Scrutiny Review of the Rural Economy being undertaken by the Yorkshire and Humber Assembly.

YHRAF members were asked to respond to 3 questions relating to the Scrutiny of Yorkshire Forward's activities in relation to the Rural Economy:

- ✓ Growing new businesses – which programmes and policies of Yorkshire Forward have been successful in enabling new business start ups in the rural parts of the Region?
- ✓ Supporting existing businesses – which programmes, policies and interventions have Yorkshire Forward made that have been successful in supporting business growth and diversification in rural areas?
- ✓ Creating the right setting for investment – how have Yorkshire Forward created the right conditions for inward investment to the rural areas of the Region?

The responses from the YHRAF are noted below:

Growing new businesses

- How did Yorkshire Forward qualify the change from Business Link to IDB? What are the implications of the change for rural business? The change over has created a hiatus in support which needs urgent consideration. Additionally, the learning and experience of the existing Business Link providers may be lost which will cost rural business in the coming years as new relationships are developed.
- Yorkshire Forward should not be so interested in large scale projects, recognising the small scale nature of business (generally) in rural areas and their needs.
- Yorkshire Forward must invest more by way of grants and incentives for new business beyond their loan fund activity.
- More effort required to align investment with other initiatives and programmes.
- Business support services are required which are appropriate to rural sectors – agriculture, forestry etc. In particular, assistance is required to achieve necessary legislative requirements, e.g. health and safety.
- The key measure for supporting small business is job creation - which is difficult for any business but particularly small rural business. Should there be other success measures available?
- Yorkshire Forward need to focus more on high value potential businesses with quality jobs and wealth creation opportunities.
- Improvements to transport are critical for business survival – both road and rail.

- More support required for locally grown food.
- More support for initiative such as NYNET as broadband is now a fundamental of business success.

Supporting existing businesses

- The Churches Regional Commission has benefited from funding for its rural business project designed to sustain advise and support farming enterprises in particular – can it be supported further?
- Too much bureaucracy in administrative systems.
- More information to rural business would be good to all rural businesses about who can support them and what is available.
- Improve and invest in road and rail communications.
- Growing Roots is the jewel in the crown of Yorkshire Forward's rural business support – a great example of how little pots of money can do much good.
- The Regional Food group has had a positive impact.
- Overall interventions have been scattergun and lacking real consistency or apparently grounded in the real world.
- There is a need to work much more collaboratively with other public sector funding agencies (e.g. the LSC) to ensure initiatives align with each other and are not (apparently) parachuted in.
- Business support services need to be appropriate to specific sectors and not generic.
- The review of the Business Link contract has created a hiatus in support.
- More investment in workspace and investment to allow diversification.
- Help is required for existing business to develop new markets with an emphasis on added value.
- Farming is already a diverse rural business but lacks experience in business planning, marketing and collective working, Growing Roots and the Regional Food Group encourage this sort of activity and could be supported further.

Creating the right setting for investment

- It does not feel as if the significance of green spaces and the value of quality landscapes with good access and functionality is well recognised or valued yet. Is there more potential for investment by Yorkshire Forward?
- There is a need for critical mass and focussing support on towns in most need.
- Investment is too focussed upon the Northern Way – there is a need to increase trickle down to rural areas with appropriate support.
- How will Yorkshire Forward communicate their support to SMEs in rural areas? Are foreign investments more important?
- A new focus required upon premises and the appropriate need for new, small and expanding businesses i.e. reasonable cost, flexible terms etc.
- Yorkshire Forward focus seems to have been entirely on the use of the rural (and its quality of life benefits) as a setting for investment for urban regeneration – "the power of place" as it is referred to.

- Yorkshire Forward have been very helpful in understanding why an investment is needed but slow in approving projects.
- Practicality and feasibility of projects/programmes needs to be established much more rapidly (and ruthlessly?) in order to expedite actions and avoid costly and wasteful consultation and raising of expectations.
- Positive support for the establishment of a World Trade Centre in Hull and Humber has helped create a new tool for inward investment and trade growth for the benefit of the whole region.
- Good: Aspirations to achieve sustainability. Less good: Practical implementation with an over reliance on economic indicators.
- "Setting" is interpreted by Yorkshire Forward as "economic", so investment in social infrastructure which influence investors seems to have been sidelined - although there is evidence that this is improving.
- Yorkshire Forward have made extensive use of consultants in market/renaissance towns – the scrutiny should consider the value for money of this approach given the scepticism reported in the press.