Summary of Evidence Base

Demographics

1. Using the new rural definition\(^1\), 19% of the population (9.5 million) live in rural areas. Of these, 6% live in rural areas where the surrounding region is particularly sparsely populated. Among those in less sparse rural areas, 47% (4.2 million) live in small towns, 37% (3.3 million) in villages and 16% (1.4 million) in hamlets or isolated dwellings.

<table>
<thead>
<tr>
<th>Type of area</th>
<th>Population (thousands)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban areas</td>
<td>39,632</td>
<td>80.7%</td>
</tr>
<tr>
<td>All rural areas</td>
<td>9,507</td>
<td>19.3%</td>
</tr>
<tr>
<td>Small towns in less sparsely populated areas</td>
<td>4,231</td>
<td>8.6%</td>
</tr>
<tr>
<td>Villages in less sparsely populated areas</td>
<td>3,287</td>
<td>6.7%</td>
</tr>
<tr>
<td>Dispersed dwellings in less sparsely populated areas</td>
<td>1,379</td>
<td>2.8%</td>
</tr>
<tr>
<td>Small towns in sparsely populated areas</td>
<td>218</td>
<td>0.4%</td>
</tr>
<tr>
<td>Villages in sparsely populated areas</td>
<td>246</td>
<td>0.5%</td>
</tr>
<tr>
<td>Dispersed dwellings in sparsely populated areas</td>
<td>146</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

Source: 2001 Population Census

\(^1\) Wherever possible, the analysis that follows has been based on the new output area classification. In some cases, data is not currently available on an output area basis. Where this is the case, we have used information based on larger areas such as wards and districts. This is clearly stated in each case. This makes the analysis more complex, but is inevitable in the early life of the new definition. The need to use ward and district based information will gradually diminish as markers based on the hectare square or output area classifications are attached to an increasing number of data sets. In a few cases it has not been possible to apply the new definition to existing data sets, so the old definition has been used in order to demonstrate a trend.
2. There is a markedly higher proportion of older people in rural areas compared with urban, and a significantly lower proportion of young people aged between 18 and 29. This is even more pronounced in sparsely populated rural areas. The figures show:

- 18% of people in rural areas are 65 or over, compared with 15% in urban areas. The percentage of people over 65 is highest in sparsely populated rural areas (22%);
- 46% of people in rural areas are 45 or over, compared with 38% in urban areas. Again, the percentage is highest in sparsely populated rural areas (51%);
- there are nearly three quarters of a million people aged over 50 living alone in rural areas, of which over 300,000 are 75 or over. Of these, 25,000 are in sparsely populated rural areas;
- 40% of people aged 75 or over in rural areas live alone; and
- 11% of people in rural areas are aged between 18 and 29, compared with 16% in urban areas.

Net migration

3. In the year to April 2001, 33,000 more people moved into than out of rural areas. This accounts for an increase in population of 0.3%. This is part of a trend that has been taking place since the 1970s.

4. In absolute terms, the greatest net migration was into small towns in less sparse rural areas (which accounted for nearly half of the increase). However, in relation to the size of the existing population, the greatest increase was in small towns in sparse rural areas, where net migration was equal to 1.3% of the population. There was a net outflow of people from dispersed settlements in sparse rural areas (0.2%).

5. Whilst large numbers of people have migrated from urban to rural areas, there has also been significant rural out-migration and intra-rural migration. The headline figures mask more significant population movements.

6. The net inflow into rural areas of 33,000 was made up of an inflow of 480,000 and an outflow of 450,000. In addition, 520,000 people moved from one rural area in England to another.

7. Many rural areas, such as those in the South West, are characterised by high rates of in-migration, particularly amongst the elderly and retired, but also by high rates of out-migration amongst young adults.

8. In many rural areas where there is in-migration of professional and managerial ex-urbanites, a net out-migration of skilled and unskilled workers has also been identified.  

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2 Source: 2001 Population Census.

The origin of in-migrants

9. The majority of moves are over relatively short distances. Nearly half of in-migrants to rural areas had moved from elsewhere within the district. However, this is lower than urban areas (60%). The percentage moving from within the district is lower in dispersed settlements in less sparsely populated rural areas.

10. Of those migrating to a rural area, nearly half came from an urban area in England and Wales. The figure is lower in sparsely populated rural areas (30%). On average, every self-employed migrant to rural England, living in a household who originated outside the area of current residence, generated 1.7 additional full-time jobs.\(^4\)

Age of in-migrants and out-migrants

11. Ward level results from the Population Census show that a higher percentage of in-migrants to rural areas are aged over 30 or under 16 than in-migrants to urban areas (76% compared to 59%) as families with children move to rural areas.\(^5\) The percentage of in-migrants aged 30 or over is much higher in sparse rural areas than in urban areas (58% compared to 39%). Only 24% of in-migrants to rural areas are aged 16-29, compared with 33% of out-migrants.

\(^4\) Findlay et al., 1999.

\(^5\) Note: many of these in-migrants to rural wards will have moved from other rural wards. Similarly, many of these out-migrants from rural wards will have moved to other rural wards.
Where do we expect these trends to lead?

12. Assuming these trends continue, we might expect over the next generation:

- continuing population growth as a result of migration by (mostly) affluent and older people into rural areas, particularly small towns and villages, combined with increased life expectancy;
- greater demands for rural housing, much of it resulting from migration to the countryside and an increase in the number of one person households;
- an ageing rural population; very many of the older population will be enjoying good health and a high quality of life, but this may also place particular pressures on public services providing support to those older people requiring help; and
- declining population in dispersed settlements in sparsely populated rural areas, albeit at a slow rate.

Economic activity

13. The majority of rural areas in England have relatively strong economic performance. There are however significant areas of weak economic performance. The poorest performing rural areas are on a par with the worst urban areas. Our productivity indicator shows the English earnings median is around £14,100, whilst the average for the bottom quartile of rural districts is £11,600 (18% lower) and in some rural districts the figure is below £9,000. Poor economic performance is both affected by, and affects, social exclusion. The bottom quartile of rural districts contain only 22% of the population, yet they include 36% of rural people in the bottom 25% on the Index of Multiple Deprivation (IMD) and 48% of rural people in the bottom half on the IMD.

14. These areas are typically remote from major urban economic centres and have often seen decline in traditional industries such as agriculture, fishing and mining. For example, nationally 6% of the workforce in rural areas is employed in agriculture but in some of the poorest rural districts this rises above 20% – including parts of Lincolnshire, Cornwall and Northumberland. These areas have a high incidence of low earnings, poor job opportunities, low workforce skills, health inequalities and poor housing.

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6 Developed for the Defra Rural Public Service Agreement and based on the old Countryside Agency definition of rural districts: this measures productivity in terms of earned income by those of working age adjusted for the proportion of people of working age participating in the labour force. This picks up on rural problems associated with low earnings and low or partial participation in labour markets (for example amongst women) rather than absolute levels of claimant count unemployment. The measure is based on people who live in the district – including those who commute to other districts (such as those associated with large towns and cities). The measure can differ substantially from workplace based measures which focus on economic activity that takes place within the district. Work is currently underway to develop a set of intermediary indicators to complement the headline indicator. This will include some workplace based measures to ensure this different perspective on rural productivity is captured. Also, the headline indicator itself will be reviewed in 2005.

7 Source: Inter-Departmental Business Register. ward level, workplace based figures. 4% of the workforce in rural areas is employed in agriculture when calculated on residence base using data from the 2001 Population Census.
Figure 3: Average earnings 2000/2001 district level

Hatching denotes districts classified as urban under the old Countryside Agency definition.

Source: Survey of Personal Incomes (Inland Revenue) and Labour Force Survey (ONS).
Sectoral change

15. The proportion of the national economy arising from farming has halved in the past 10 years. Its percentage of UK Gross Value Added in 1973 was 2.9%, 1.6% in 1993 and 0.8% in 2003. There has also been a substantial reduction in employment in farming. 1.8% of the total workforce in employment in 2003 was employed in farming in 2003 down from 2.4% in 1993, and 2.8% in 1984.

16. The economies of rural England are no longer driven by agriculture. Ward level information from the Inter-Departmental Business Register shows that employees in rural businesses are more likely to be in manufacturing (25%), wholesale/retail (18%) or tourism (9%), than in agriculture (6%).

Figure 4: Employees by industry

Source: Inter-Departmental Business Register, ward-level, workplace based figures.

* Agriculture in the UK, Defra (2003).
Productivity

17. To develop its policy agenda on productivity, the Government has established five priority areas for action: skills, enterprise, innovation, investment and competition, often referred to as the five drivers of productivity growth. These have been developed by assessing the evidence and academic literature as to the most likely factors to improve productivity performance.\(^9\)

Skills

18. The quantity and quality of skilled labour available in an economy are important determinants of economic performance and productivity growth.\(^10\) One factor contributing to variations in productivity across sub regions in England is differences in the skill composition of the workforce; industries are unevenly distributed geographically and also differ in terms of their skill requirements.

19. While the availability and quality of skills training and local schooling is important in this respect, other social, cultural and quality of life issues also play a role in shaping and sustaining skill levels within a local economy. In particular, our research stresses the importance of attracting skilled, educated and dynamic people from outside the area.\(^11\)

20. Areas that are specialised in more skill-intensive industries may be expected to have a higher level of productivity than those parts of the country specialised in less skill intensive activities. Furthermore, a more skilled workforce allows workers to generate new ideas and adapt to the changing economic environment; without access to a skilled workforce, firms may be unable to introduce new technology or organisational changes effectively. In other words, low levels of human capital can, in effect, act as a brake on the economic performance of an area.

21. Our research shows that poor productivity performance in rural areas, as manifested by increased incidence of low pay, is associated with low educational attainment levels.\(^12\) However, this association is more marked in some rural areas than others. The South West, for example, has a relatively highly educated workforce, but lower than average productivity, whereas in parts of the East of England and the East Midlands, low productivity appears to be more closely correlated with low levels of qualifications (see Figure 5 overleaf).

22. Job-related moves are also closely linked to age, social status and employment sector.\(^13\) Those migrating for jobs will generally travel further than those migrating for other reasons. Managerial and professional workers display a greater than average propensity to migrate over long distances. Households with more than one breadwinner show a lower propensity to move and are less likely to make long distance moves. Migration into rural areas or between rural areas is often associated with changes to household size.


\(^10\) 2002 Pre-Budget Report.

\(^11\) Determinants of Relative Economic Performance of Rural Areas, research report prepared for Defra by the Rural and Tourism Research Group (University of Plymouth) with the Countryside and Community Research Unit (University of Gloucestershire) 2004.

\(^12\) Ibid.

23. The importance of a vibrant enterprise culture has long been recognised as essential for growth and involves seizing new business opportunities. Our research shows that the number of VAT-registered start ups is positively correlated with productivity and employment across rural local authority districts.\textsuperscript{14}

24. In England as a whole, small and medium-sized enterprises (SMEs) were growing at a faster rate in rural compared to urban areas, up until the late 1990s.\textsuperscript{15} But by 1999, almost 75\% of rural local authority areas had business start up rates lower than their regional averages.\textsuperscript{16} BT’s announcement in April 2004, that it would “broadband enable” 99.6\% of its exchanges in the UK by summer 2005, may provide a new incentive for entrepreneurs to start and expand businesses in rural areas, though this may also depend on how quickly the infrastructure and market develops for higher bandwidths in rural areas.

\textsuperscript{14} Ibid.
\textsuperscript{15} Keeble (1999).
\textsuperscript{16} Rural Economies: Stepping Stones to Healthier Futures, Countryside Agency (2003).
25. Ward level figures from the Inter-Departmental Business Register show that, of the 21% of English businesses that are located in rural areas, most tend to be small, accounting for 6% of turnover and 6% of employees:

- most employ less than 50 people with a high proportion employing less than ten;
- there is significantly more self employment, some of which stems from life-style choice and some from a lack of alternatives: 22% of self employed people in rural areas are in poverty compared to 8% in urban areas;\(^\text{17}\) and
- evidence suggests that rural businesses have a higher propensity to remain small.\(^\text{18}\)

26. This last point is echoed in our own research findings that stress the frequency with which an area’s entrepreneurs are relative newcomers, and the valuable role of the local authority and other local agencies in providing a climate conducive to enterprise and attractive to inward migration.\(^\text{19}\)

Innovation

27. It is difficult to get quantitative evidence of differing levels of innovation, investment and competition in rural areas. However, some inferences can be made from economic theory and more qualitative pieces of research.

28. Innovation is defined as being the successful exploitation of new ideas leading to new products, services, production processes and forms of delivery and, in the long-run, to higher value added. From an innovation perspective, it could be considered that rural regions are at a disadvantage because of the dispersed distribution of their business population and the lower incidence of higher education and research institutions.

29. There may be barriers to innovation in remote rural areas owing to the additional costs of delivering effective business and technological support where business densities are especially low, so slowing down knowledge diffusion and the adoption of new technologies. Indeed, for the service sector, there are marked differences in the innovation performance of businesses in accessible compared with remote rural areas.\(^\text{20}\) Furthermore, the analysis of various distance measures showed a negative relationship between a firm’s innovation performance and the distance from the nearest motorway access and from the nearest airport, confirming that service sector businesses in remote rural areas are less likely to be innovative than those in more accessible locations.

\(^\text{17}\) Ibid.
\(^\text{18}\) Rural Businesses and Competitiveness: An Assessment of the Evidence Base, Professor David Smallbone and Dr Edward Major 2003.
\(^\text{19}\) Determinants of Relative Economic Performance of Rural Areas, research report prepared for Defra by the Rural and Tourism Research Group (University of Plymouth) with the Countryside and Community Research Unit (University of Gloucestershire) 2004.
\(^\text{20}\) North et al., (1997).
**Investment**

30. Investment in physical plant, machinery and buildings helps to make labour more productive and is a way of embodying new technology in the production process. The overall investment climate depends on a number of factors, such as the availability of finance, macroeconomic stability and the existence of sufficient skilled workers to utilise new equipment effectively. In recent years, investment in IT has become increasingly important as it facilitates organisational or process change. Indeed, our research shows that increased levels of net capital expenditure per capita are associated with higher productivity.21

**Competition**

31. The competitive environment provides the framework under which labour, capital and product markets operate. Lower levels of competition mean businesses have less incentive to reduce costs and innovate. The economy in rural areas is very similar to that in urban areas. However, rural areas are characterised by their relatively sparse populations, including businesses, and greater distances involved from markets and consumers.

32. Competition policy does not operate below a national level22 and is largely determined nationally or supra-nationally. However, differing levels of competition at regional or local levels can have an impact on an area’s prosperity and productivity.23 Where markets are local, especially in poorer or more remote regions, they can be dominated by only a few firms.24 Areas which are more remote may face less competition and it has been found that, on average, rural SMEs have a lower average number of ‘serious competitors’, 11.0 compared with 17.4 in conurbations, according to the 1998 Cambridge Business Research Centre survey.25

33. Competition can also come from new business start-ups. It has already been demonstrated that in rural areas over recent years this has become a problem. In-migrant households account for up to two-thirds of all new businesses26 – however the number of new entrants in the more remote areas are not as high as those in the more accessible rural areas.

34. Remoteness and population dispersion, or rather lack of agglomeration, are inevitably associated with less competition. Urban conurbations grow in size because of the economic benefits of proximity to markets and networks, amongst other factors. London is the largest conurbation in Europe and also has the highest productivity. Our research shows that proximity to London is associated with higher productivity as, to a lesser extent, is proximity to other large conurbations.27

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21 *Determinants of Relative Economic Performance of Rural Areas*, research report prepared for Defra by the Rural and Tourism Research Group (University of Plymouth) with the Countryside and Community Research Unit (University of Gloucestershire) 2004.


27 *Determinants of Relative Economic Performance of Rural Areas*, research report prepared for Defra by the Rural and Tourism Research Group (University of Plymouth) with the Countryside and Community Research Unit (University of Gloucestershire) 2004.
Where do we expect these trends to lead?

35. Assuming these trends continue, we might expect over the next generation:

- depending on the effectiveness of public policy intervention, a narrowing of the productivity gap between the bottom quartile of rural areas and the English median;
- further convergence between the nature of economic activity in urban and rural areas; and
- continued reduction in the proportional direct contribution of farming to total economic activity, though this could be offset by an increased contribution made by land managers to tourism and other sectors.

Social exclusion and access to services

36. Rural deprivation tends to be more highly dispersed than urban deprivation. There are very few geographic concentrations of deprivation in rural areas – only 1% of rural areas (containing 86,000 rural people) fall in the bottom 10% of areas on the new overall Index of Multiple Deprivation. These areas tend to be in small towns in industrial/former coal mining areas of northern England. For this reason, rural deprivation can only in part be dealt with through area-based initiatives. Instead, action must focus on excluded people and communities wherever they exist – including in otherwise generally prosperous areas.

37. Having said this, further analysis of the Index of Multiple Deprivation reveals a number of aspects that are characteristically rural. For example, in rural areas as a whole, deprivation tends to be particularly linked to poor access to housing and services so action needs to be targeted on these issues as a priority as the Rural Strategy sets out:

- 48% of areas in the bottom 10% on the geographical barriers to housing and services subdomain are rural; and
- 21% of rural households do not live within 10 minutes walk of a daily or better bus service.\(^{28}\)

38. In those rural areas that are in the bottom 10% of areas, deprivation tends to also be associated with poor employment, health, education and income:

- the unemployment rate is four times higher than for rural England as a whole;
- over half of people aged 16-74 do not have a qualification, double the level in all rural England;
- nearly a third of people have a limiting long-term illness, compared with one in six in all rural England; and
- 44% of households do not have access to a car – over three times the level in all rural England.\(^{29}\)

\(^{28}\) Source: National Travel Survey, 2002.
\(^{29}\) Source: 2001 Population Census.
39. A consequence of poor access to services is a greater reliance on the car. Whilst results from the National Travel Survey show that the proportion of households in rural areas without access to a car has fallen from 18% in 1996/98 to 15% in 2002, the figure for people aged 75 or over is 40% and for lone parents households with dependent children it is 25%.[30]

40. The extra cost of transport in rural areas is a severe burden on the poorest households. Rural households on low incomes[31] spend 54% more on travel than low-income urban households.[32] Yet this is not enough to allow them to participate fully in society, since the amount they spend on travel is 36% of the average for all rural households.

41. Over half a million rural households are more than two kilometres from their nearest post office.[33] Of these, an estimated 52,000 do not have access to a car and an estimated 70,000 comprise a single pensioner.[34]

42. Over 800,000 rural households are more than four kilometres from their nearest GP (and 60,000 are more than eight kilometres away). Of these, an estimated 84,000 do not have access to a car and an estimated 108,000 comprise a single pensioner.

The rural environment

43. England’s countryside supports valuable and varied landscapes and wildlife habitats, most of which have been shaped by centuries of economic activity. The countryside is valuable to people because it:

- supports the production of food, timber and other rural produce;
- provides a resource for recreation, leisure and tourism;
- supports vital ecosystem services – such as climate regulation, flood management and carbon storage; and
- provides habitats for wildlife.

44. The natural environment in England also has an important impact on the country’s economy. Linkages between the environment and the economy can be grouped in terms of:

- activities that help to shape and manage the natural environment, such as nature and landscape conservation, agriculture and forestry; the activities of these sectors are responsible for building and maintaining the stock of natural capital; and
- activities that benefit from the quality of the natural environment, such as tourism, fisheries, and the processing and marketing of ‘green’ food and timber; these activities benefit from the services provided by natural capital.

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31 Low income defined as 60% of the UK median.
32 Source: Expenditure and Food Survey, 2002-3.
33 Source: Countryside Agency.
34 Source: 2001 Population Census.
45. Collectively, it is estimated that activities within those sectors\(^{35}\) that are closely and positively connected with the management of the natural environment support 300,000 full time equivalent jobs in England, and contribute £7.6 billion in gross value added.\(^{36}\) This is more employment than is supported by either the chemicals or motor vehicle manufacturing industry in England.

**Public attitudes, migration and tourism**

46. For many, moving to a rural area reflects a lifestyle choice. Survey evidence suggests that a rural settlement location is the preferred destination of the majority. Of those people living in the countryside 89% would prefer to continue to do so. In contrast, only 21% of people living in an inner city area would prefer to continue doing so, with 51% preferring the countryside.\(^{37}\) Between these two extremes, suburban and town dwellers are more evenly divided between their present location and the countryside.

47. Amongst retired people, the quality of the residential environment, often in association with other amenity factors such as being close to family, frequently emerges as the dominant factor in migration decision-making.

48. Many people have been attracted by the quality of the countryside, not just to visit but to live and/or work there. A survey earlier this year showed that access to nature and the countryside came in the top ten of 22 factors suggested as making somewhere in England “a good place to live”. Another poll showed that most people in rural areas feel their quality of life is better than in urban areas and only about one in 20 thinks it is worse. By contrast, only about a quarter of urban residents like urban areas more than rural ones, while another quarter think their urban lifestyle is worse than they would expect in the countryside.

49. A study investigating the impact of the environment on economic development in rural areas suggests that environmental quality plays a significant role in determining where people choose to live.\(^{38}\) However they also argue that the influence of the environment in determining macro-scale differences in regional economic growth is small. For this reason, we can infer that policies directed at improving environmental quality are unlikely in isolation to be the best route for promoting regional growth, though they may play a part.

50. In 2001, 80% of respondents to the Survey of Public Attitudes to Quality of Life and to the Environment had visited the countryside for pleasure in the twelve months preceding the survey.\(^{39}\) The main activities undertaken on countryside visits are informal or ‘non-commercial’. Walking is by far the most popular: 52% of respondents to the Great Britain Day Visits Survey 2002/3 had gone walking, mainly for less than two miles. Other activities included cycling, playing sport, hobbies, visiting parks and gardens, and visiting friends and relatives.

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\(^{35}\) Includes estimates for agriculture, food processing, fisheries and fish processing to the extent that these are based on sustainable practices (95,000 full-time jobs and £2.2 billion).


\(^{38}\) *The Importance of the Quality of the Environment for Economic Development and Regeneration in Rural Areas*, University of Reading, report to Defra (2004).

\(^{39}\) *Survey of Public Attitudes towards the Environment and to Quality of Life*, Defra 2001.
51. There is clear evidence that some groups of people visit the countryside less often than others or not at all. For example, 97% of visitors to National Parks are white and 70% are over 35. Accessibility to nature and the countryside where people live and work also varies enormously.

52. Visiting the countryside can do much to improve people’s physical and mental health, and general enjoyment of life. There is clear evidence that regular walking can dramatically reduce the risk of certain illnesses. At the same time, visitors can do much for the prosperity of places they visit, at an individual, community and even regional level. Research by the Countryside Agency in 2003 showed, for example, that the South West Coast Path generated £307m income in a year for the regional economy.

Where do we expect these trends to lead?

53. Assuming these trends continue, we might expect over the next generation:

- continuing importance of the countryside for people’s quality of life, health and recreation;
- in combination with improved access to the countryside, consequently more scope for increasing the economic contribution of tourism to the rural economy, but with the challenge to ensure that this is managed in a sustainable way; and
- increased scope for farmers to generate income through diversifying into activities that increase the value of the rural environment, and/or supports sustainable tourism.

Developing the evidence base

54. We will continue to build our evidence base over the next three years as an important part of our Rural Strategy.

55. We will apply the new rural definition to provide finer grained analysis of the characteristics of rural areas, using further data as they become available. This finer grained analysis will include continuing work to define rural areas of greatest need – both extensive areas with poor relative economic performance, and smaller pockets of rural deprivation in otherwise more prosperous areas. With more accurate mapping of rural deprivation, policy and delivery can be better focused on tackling rural deprivation. Developing the evidence base is therefore a crucial part of our Rural Strategy, and underpins the modernisation of rural delivery.

56. In addition to continuing work on the new rural definition and thematic studies based upon the 2001 Census (e.g. migration, housing and older population groups), the Rural Evidence Research Centre will undertake both long and medium term multi-disciplinary studies. One longer term study will comprise the re-analysis of the national longitudinal social surveys to add a rural dimension, hitherto lacking, to these important sources of social data to establish a baseline description about social and geographical mobility in and out of rural areas. This sort of information is helpful to understand the demographics of rural areas. The other more extended project will be an ‘action research’ study of capacity building for rural regeneration. This will seek to understand the role of social capital and personal skills in economic re-structuring and the attraction of new sources of employment.

40 Namely, the 1958 and 1970 national birth cohort studies, the ONS Longitudinal Study of England and Wales and the Millennium Cohort Study.
57. A number of medium term studies to be taken forward by the Rural Evidence Research Centre are at a detailed planning stage, including investigating:

- access to, and take-up of, rural health services and the association of the health of rural populations with levels of more general well-being, labour productivity and skills training;
- transport impacts in rural communities; and
- patterns and determinants of ‘micro-scale’ variations in house prices and rents in different types of rural area.

58. Separate from the Rural Evidence Research Centre, Defra is also taking forward a number of other areas of social and economic research. This will include research into:

- the economic impact of CAP reforms on farm businesses, their suppliers and customers, and the wider rural economy;
- the drivers of relative economic performance;
- the impact of rising house prices on rural economic activity; and
- the knowledge economy in rural areas.

59. To ensure we establish a long term perspective, we will also be carrying out horizon-scanning to develop future scenarios around the demand for, and supply of, rural services. We expect to use longitudinal surveys to explore changing issues over time for both individuals and rural communities.

60. Easy access to data and research findings are also central to establishing a robust evidence base. As a first step, we have set up a new rural research webpage on the Defra website, which will contain links to current relevant Defra commissioned research.41 The next step will be a project to develop a Rural Evidence Hub, currently in its early stages. The evidence hub will provide a signpost to research findings and allow users to access data at a number of geographical levels.

61. Using these research findings, developments in Geographical Information Systems and the new Rural Evidence Hub, we will continue to develop an increasingly robust rural evidence base.

41 http://www.defra.gov.uk/rural/research/default.htm