

# RURAL POLICY CENTRE CONSULTATION RESPONSE



# Taking Forward the Government Economic Strategy

## A Discussion Paper on Tackling Poverty, Inequality and Deprivation in Scotland

### A Response from the SAC Rural Policy Centre

#### Summary

SAC supports the Framework for tackling poverty, inequality and deprivation but believes that:

- It is important to recognise that while there is little difference between the *prevalence* of poverty in urban and rural areas, the *experience* of poverty in urban and rural areas is distinctly different. A 'one-size fits all' approach to tackling poverty is not appropriate – tackling rural poverty will require targeted policy solutions.
- The *purpose* of the Framework must be clear if it is to be successful;
- The scope of the Framework must stretch beyond economic measures and include environmental and social mechanisms for tackling poverty through *sustainable* economic growth;
- Government policies should be "*rural proofed*" to assess if policies are fit for purpose in rural areas of Scotland
- The socio-economic structure of rural Scotland and the diversity within rural Scotland must be considered if poverty, inequality and deprivation are to be addressed;
- Delivery of the Framework needs careful planning if the objectives are to be achieved.

#### Introduction

The Scottish Agricultural College (SAC) welcomes the opportunity to respond to the Discussion Paper on Tackling Poverty, Inequality and Deprivation in Scotland. SAC particularly welcomes the recognition within the document that "there is little difference between urban and rural areas in the prevalence of poverty" and the commitment to the Cohesion Golden Rule, which gives greater priority to achieving more balanced growth across Scotland.

SAC believes it is important to recognise that while there is little difference between the *prevalence* of poverty in urban and rural areas, the *experience* of poverty in urban and rural areas is distinctly different. Recent research conducted by SAC identified several key factors that contribute to rural poverty: **employment, income, housing, health and access**. Although these are also factors of urban poverty, the distinct socio-economic structure of rural Scotland and the diversity within rural Scotland mean that the experience of living in poverty in a rural area would be a distinct experience from living in poverty in an urban area.

Consequently, a 'one-size fits all' approach to tackling poverty is not appropriate – tackling rural poverty will require targeted policy solutions.

Policies should be "rural proofed" to ensure that they are fit for purpose in rural areas. This may involve considering broader measures of poverty that more accurately reflect rural circumstances, such as earnings, productivity and cost of living, rather than solely household income. Further detailed discussion of these points is included in **Annex A**.

This response is structured as follows: after offering some general comments on the approach of the consultation document and the implicit emphasis, we address the general question posed in the discussion document – What should a Framework cover? – before dealing with the specific questions in turn. Annex A contains some background information on living in poverty in rural areas. This background is based on a recent report by SAC.

## **General Comments**

### *Purpose of sustainable economic growth*

We support the Government's purpose "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth". However, throughout the discussion paper "increasing sustainable economic growth" is referred to continuously but there is very little mention of the *purpose* of increasing sustainable economic growth "to create a more successful country with opportunities for all of Scotland to flourish". It is essential to remember that economic growth is not a means in itself; it is a means to an end. As is outlined in p7 of the discussion paper economic growth does not automatically create a wealthier *and* fairer country, and recent history has shown that increasing economic growth often exacerbates inequality. Therefore the *purpose* of increasing sustainable economic growth must always be re-inforced.

### *Environmental and social elements of sustainability*

SAC supports the commitment to "sustainable economic growth" as defined in the Government's Economic Strategy: "By sustainable economic growth we mean building a dynamic and growing economy that will provide prosperity and opportunities for all, while ensuring that future generations can enjoy a better quality of life too" (GES, p 37). We welcome the commitment to pursue "an environmentally sustainable model of economic growth" (GES, p 37) and the recognition that " There are also strong correlations between poverty and a lack of environmental sustainability (Discussion paper, p 3).

We would like to see, however, more emphasis in the discussion paper on the environmental and the social elements of sustainable economic growth. Sustainability can only be achieved through balancing the economic, the environmental and the social. In this discussion paper it is mainly economic solutions that are discussed for tackling poverty, inequality and deprivation. Poverty is wider than income: quality of employment, integration within society, feeling like a valued member of the community and living in a good quality environment with access to amenities, green space etc are key to a better quality of life and overcoming poverty, inequality and deprivation. The Scottish people can, and do, contribute to making Scotland "a more successful country" in more ways than just through paid employment.

## What should a Framework Cover?

From the discussion document it is not clear what the *purpose* of the Framework for tackling poverty, inequality and deprivation is. Will the Framework be i) an overarching Vision, ii) a Statement of purpose, iii) An Agreement/Compact between all stakeholders (Scottish Government, Local Authorities, Third sector, private sector), or iv) an Action Plan.

We are pleased that what the Framework should cover is "open to change and revision" and we would like to comment on the following specific suggestions:

### **- a narrative which would explain where tackling poverty will help deliver the GES and the overarching Purpose of the Scottish Government;**

SAC believes that this statement is the wrong way around. The question should be how will the Government Economic Strategy and the overarching purpose of the Scottish Government "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth" help tackle poverty.

Economic growth is not the *purpose*. Creating a more successful country, with opportunities for all of Scotland to flourish is the purpose and sustainable economic growth is the *mechanism* through which it will be achieved.

### **- the current position regarding the respective roles and powers of the Scottish and UK Governments, and the key commitments and indicators;**

The Framework for tackling poverty, inequality and deprivation should remain focused on the task of outlining how the Scottish Government *will* tackle poverty.

### **- an outline of the evidence base in terms of what we know about the incidence of poverty in Scotland, what causes it, its relationship with determinants such as health and education, and the international context;**

An evidence base is important, but the main focus of the Framework should be action. The problems should be outlined, but the majority of the Framework document should focus on how the problems will be tackled.

Crucially, many of the current statistical measures of poverty are not able to capture the extent of poverty in rural areas, due to the small and geographically dispersed populations. Additionally, the Scottish Index of Multiple Deprivation gives less weighting to issues particularly affecting rural areas, such as access to services. A broader range of statistics give a more balanced picture of the extent of poverty in rural areas; including types of employment (earnings, sectors, GVA). Therefore we would advise that along with any statistics used in the Framework, *robust analysis* of these statistics is also included along with identification of the gaps in the evidence base, particularly, as we have demonstrated, gaps in relation to poverty in rural Scotland.

### **- an audit and review of the current range of Scottish Government policies related to tackling poverty and income inequality with an analysis that**

**identifies any gaps/need for change (in terms of policies; client groups; approaches; and the constitutional settlement) and how they should be addressed;**

The effectiveness of current policies should be audited and reviewed and clear actions for change and how gaps in analysis and gaps in the provision of services will be addressed should be included.

**- a clear exposition of how the national policy framework should connect to delivery on the ground. This would explain the respective roles of the UK Government, Scottish Government, local government, community planning partnerships, and partners in the Third and private sectors. It would also outline how delivery of national goals will be achieved through the outcomes based arrangements being developed with local providers, how public sector investment can be maximised; how delivery can be improved through simplification of the local delivery landscape; and how national government and local providers can work together on these issues;**

This appears to be a very top-down centrally controlled approach. Can the government "explain the respective roles" of others? What if, for example, the Third sector or the private sector disagree with the role they have been allocated? The only way this can be achieved is if the Framework is an agreement between all relevant stakeholders on how they will tackle poverty, inequality and deprivation. The Framework agreement should be accompanied by specific actions, timescales, along with a clear statement of who is responsible for delivery.

The concordat between the Scottish Government and Local Authorities gives Local Authorities greater autonomy. Therefore the best way of ensuring that poverty, inequality and deprivation targets are delivered is through linking the Standard Outcome Agreements to the Solidarity and Cohesion targets.

**- an outline of any concrete actions (in terms of fresh policy priorities, research and new approaches) to be taken as a result of developing and producing the framework, and to whom the action falls;**

SAC suggests that more than an outline is provided. SAC recommends that actions are accompanied by targets and timescales and who will deliver the action. Otherwise the Framework will appear to be little more than a wish list: a Framework of laudable principles but no clear strategy, actions and targets for delivery.

The actions, targets and timescales stated in the Framework must therefore be agreed in partnership.

**- an explanation of how the framework will be monitored and evaluated and of the potential for maintaining on-going engagement with stakeholders as work on tackling poverty progresses.**

Monitoring and evaluation of any framework is crucial. However, micro-managing, too many targets, the wrong targets and indicators, over-burdening organisations and individuals with paperwork will be unsuccessful. Also, engagement with stakeholders should involve the Scottish Government responding to local communities, academics, and experts who deal with poverty issues everyday. The

Scottish Government should outline how it will listen, respond and deliver on the feedback it is receiving.

## **Specific questions**

### **Q1. Where can the Scottish Government contribute most to tackling poverty?**

The Scottish Government and the Scottish Budget can tackle poverty directly through initiatives like the Fairer Scotland Fund and through the Single Outcome Agreements with local authorities. The Scottish Government can ensure that all of its policies are "poverty-proofed" thereby assessing how every Government policy will impact on the levels of poverty, inequality and deprivation in Scotland.

### **Q2. To what extent are current policies and programmes fit for purpose?**

Are they working? Current policies and programmes are fit for purpose if they are significantly contributing to i) preventing poverty, ii) lifting people out of poverty and iii) alleviating the impact of poverty.

Current policies should be critically assessed from a rural perspective. "Rural proofing" is needed to ensure that policies designed to tackle poverty, inequality and deprivation are appropriate for rural areas. As is acknowledged in the discussion paper the "one-size" fits all approach does not work therefore greater consideration should be given to the impact of policies in different regions of Scotland.

### **Q3. How should the Scottish Government maximize the impact of these policies and programmes?**

The OECD reported earlier this year that there are over 100 agencies/organisations working on rural issues in Scotland. How many agencies/organisations/partnerships are there working on poverty issues in Scotland?

Synergy between policies, organisations and on the ground practice is needed in order to target resources efficiently and to minimise duplication.

Learn from best practice: There are many projects/communities groups that have and are delivering real benefits to people's lives; learn from them and replicate. For example, The Pulteneytown People's Project in Wick, Caithness, is recognised as successfully tackling poverty and involving hard to reach groups and families. The residents of Pulteneytown in Caithness have developed a dynamic 'multi-tasking' regeneration initiative addressing a wide range of the problems facing their deprived neighbourhood, in one of the remotest areas in Scotland.

### **Q4. Do you consider there are gaps in these policies and programmes that need filling? If so, how should they be filled?**

There are gaps in relation to rural Scotland. Rural Scotland's needs differ to urban Scotland and within rural Scotland there is great diversity. Worklessness rates seem to be a main indicator of poverty, inequality and deprivation used throughout the discussion paper. Whilst worklessness blights many areas of Scotland and

must be addressed, it should not be the sole focus of the framework. As stated, Scotland has among the highest employment rates in Europe, yet we have high levels of poverty and inequality. Over 50% of children in poverty live in a household where at least one adult works. A key factor in this is earnings. The GES (p19) states that: "Earnings also vary significantly across Scotland's local authority areas, with more remote rural areas suffering lower wages than average. The lowest waged local authority area in 2006, the Scottish Borders, registered median gross weekly earnings 30 per cent below those in East Dunbartonshire, the highest waged local authority area".

The Solidarity Golden Rule in the GES is backed by the following target: "to increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017". The most direct method of achieving this target is to increase wages. Rural areas also suffer from lower output (GVA) than the rest of Scotland. Therefore a priority for the Scottish Government should be to increase the *quality of employment* in rural areas; leading to higher wages and higher productivity. The skills agenda thus far has mainly focused on workers' improving their skills. The Scottish Government should work more closely with employers so that employers become more experienced at supporting and developing their workforce to deliver higher productivity and higher wages.

To directly achieve the target "to increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017" the Minimum Wage could be increased in Scotland. There has been no regional variation in the minimum wage to date but in the USA there is a national minimum wage level and many states have their own state minimum wage. Similarly, the discussion paper refers to "developing the concept of a living wage". Living wage ordinances, which contractually oblige public sector contractors to pay their workers a living wage, have been successfully implemented in the USA since the 1990s. The public sector is a major employer in rural areas and, as such, living wage ordinances could have a significant impact.

**Q5. How best can the Scottish Government achieve both economic growth and reduced poverty and income inequality?**

As is recognised, economic growth will not automatically "create a more successful country, with opportunities for all Scotland to flourish". In many countries economic growth has been accompanied by increasing inequality and uneven economic growth across the country. One way of avoiding this is to have an effective Regional Policy able to address regional problems whilst contributing to the Scottish Government's overarching purpose. Sustainable economic growth is the target, but this requires a better balance between the economic, environmental and social measures. The Discussion document and the Government's Economic Strategy focuses on economic measures and is weak on the environmental and the social elements.

**Q6. How should the Scottish Government and its partners balance their efforts between the three areas for action outlined at paragraph 43 of the discussion paper?**

SAC agrees that the following three areas should be tackled simultaneously to effectively tackle poverty

Prevention of poverty and tackling the root causes – preventing poverty is key, however the focus within the Discussion document remains on worklessness and does not adequately address in-work poverty. As stated on page 4 of the Discussion document, "50% of all children in poverty live in a household where at least one adult works". This would suggest that employment is not an automatic route out of poverty.

More consideration should therefore be given to how workers progress beyond entry level jobs and progress through the labour market. This will be particularly challenging as 99% of Scottish businesses are SMEs (accounting for 53% of total Scottish employment) and in rural areas a higher proportion of people are self-employed. To reduce in-work poverty more help could usefully be given to SMEs to recruit, train and develop careers paths for their staff. For the self-employed there should be opportunities for them to continue to develop their skills and develop transferable skills that can off-set seasonal unemployment and economic downturns.

Helping to lift people out of poverty – A significant number of the Scottish population are currently living in poverty; this is unacceptable and so must be a priority. Again this section focuses on improving "employability", but in many remote and rural communities it is the *supply of jobs* that is the biggest issue. In some areas of Scotland there is a jobs deficit, which is different to an employability or skills issue.

Alleviating the impact of poverty on people's lives – The suggestions of how to alleviate the impact of poverty are very limited. They focus on the take up of benefit entitlement. In rural areas, there is anecdotal evidence that benefit take up is lower than the rest of Scotland. Rural cultural and a higher 'visibility' of individuals in communities may contribute to this. The Scottish Government can tackle poverty through education, housing, employment, health policies etc, therefore there should be less emphasis on benefits, which is a Reserved matter, and more of a focus on what the Scottish Government can and will do.

**Q7. With respect to the set of key principles detailed at paragraph 33 of the discussion paper what are your views on the following:**

- **Are they the right principles?**

The principles are so general it would be difficult for anyone to disagree with them. However, the Government must be confident that it *can deliver* on the key principles, as many of the principles will require substantial long-term investment.

For example: "An approach that improves the internal capacity of disadvantaged individuals to lift themselves and their families out of poverty by developing their resilience". How will the Government implement this principle? How does the Government improve someone's internal capacity? Also, people living in poverty may not react favourably to being told that if they improve their resilience then they can lift themselves out of poverty.

"A focus on providing work for those can work, alongside support for those who can't - this should of course be sustainable work that lifts households out of poverty and provides real personal development opportunities". Again, how will the Government implement this principle? How can it ensure that private sector employers, mostly SMEs, are offering such quality employment?

The principles should only be included in the Framework if they are deliverable, as demonstrated through specific targets.

SAC particularly welcomes the following principle: "Targeted support for the most disadvantaged - but within a framework of universal service provision and a minimum 'offer' that we expect everyone to be able to access". This minimum 'offer' will greatly benefit remote rural communities and enshrines their right to access services. Again, thought should be given as to how this substantial commitment will be delivered.

**Q8. Do you think that reserved and devolved programmes currently complement each other effectively and are there any areas where cooperation can be improved?**

The Scottish Government should focus on setting its own agenda for tackling poverty as outlined in the Discussion document, using the tools available to it, while seeking to improve cooperation.

**Q9. What are the key barriers to greater partnership working? Can you give an example of how these can effectively be overcome?**

Partnership working can be effective in delivering a bottom-up approach to tackling poverty and inequality.

However, in many partnerships there is duplication, lack of leadership, lack of a shared vision or common purpose (beyond the individual project or project funding), one or two dominant partners, lack of clarity in decision-making processes and lack of transparency, often making it difficult for local people to become involved or contribute to the process.

Leadership and responsibility are the keys to better partnership working. Often working in partnership means no-one feels ultimately responsible for delivery, bucks can be passed and other partners can be blamed. Further, partnerships are often funding- (rather than purpose-) led, meaning many partnerships are reactive rather than working in a longer term strategic manner.

It is important to recognise that the institutional delivery landscape has become very cluttered. There has been a proliferation of "partnerships" in recent years but little assessment of what these partnerships are delivering.

**Q10. Do you consider that there are any areas where enlargement of the devolution settlement could improve the seamless provision of support and achieve a greater impact on poverty and income inequality?**

SAC believes that taxes and benefits, which are reserved to Westminster, are not the only instruments that can be used to tackle poverty and that the focus should be on using the currently available tools and funding mechanisms to tackle poverty now. The Scottish Government could usefully focus on maximising existing resources, re-prioritising funds and generating additional resources to address poverty related issues through education, training, supporting employers to develop their workforce, transport, housing etc.

**Q11. With which constituencies within Scotland could the Scottish Government do more to influence thinking and action on tackling poverty?**

Employers are the most important key to tackling poverty in Scotland. In many areas local people have not benefited from new employment opportunities as employers have been reluctant to employ the long-term unemployed, long-term sick etc.

Also to prevent pensioner poverty in the future employers should offer good quality pension schemes. The Scottish Government should consider how it can work with employers to establish, and maintain, quality pension schemes.

Local Authorities deliver front line services that impact directly on poverty (housing, education, economic development etc.). They must therefore fully support and deliver on the Framework for tackling poverty, inequality and deprivation.

**Q12. How should the Scottish Government best go about engaging with the wider public in its efforts to tackle poverty in Scotland?**

Greater coverage should be given to community-based, bottom-up initiatives that successfully demonstrate how poverty, inequality and deprivation can be overcome.

**Q13. What kind of language should the Scottish Government use in order to communicate effectively on these issues?**

The language used in describing poverty and deprivation is often very negative and can stigmatise communities, groups or individuals. To communicate effectively on these issues the Scottish Government could emphasise the *actions* being taken to tackle poverty, inequality and deprivation. The language should always acknowledge the real hardship being experienced by many and then go on to clearly state what actions are being taken to tackle the problems.

The Government could emphasise all of Scotland is poorer due to the unacceptably high levels of poverty, inequality and deprivation in our country. The benefits of addressing these issues should be spelt out for all. This can be achieved by focusing on the full purpose of the Government - not just the economic growth part: "*to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth*".

## Background to Living in Poverty in Rural Scotland

SAC recently completed a literature review on the experience of living in poverty in rural areas in Scotland for The Scottish Government Rural and Environment Research and Analysis Directorate (RERAD). The full report is available at <http://www.sac.ac.uk/ruralpolicycentre/pubs/researchreports/>. This section summarises the key findings regarding living in rural poverty in Scotland from the report.

What is poverty? A common measure of poverty is households whose equivalised income is less than 60% of the UK median. The Scottish Government recently published statistics showing that the proportions of people living below this threshold are broadly similar in urban and rural areas, as show in Table 1 below:

Table 1: Number and percentage of individuals in low income households by urban/rural classification Scotland 2005/06

RELATIVE LOW INCOME				
	Before Housing Costs		After Housing Costs	
	%	000s	%	000s
Urban areas	18	710	20	810
Rural areas	17	160	18	170
Total	18	880	20	990
ABSOLUTE LOW INCOME				
	Before Housing Costs		After Housing Costs	
	%	000s	%	000s
Urban areas	11	440	13	510
Rural areas	12	110	10	90
Total	11	550	12	600

Source: Scottish Executive: Family Resources Survey, Households Below Average Income 2005/06 dataset.

These figures indicate that poverty is as prevalent in rural areas as in urban areas. Crucially, however, it must be recognised that income is not the sole factor that determines the level of poverty in Scotland. There is a need to consider all the elements of poverty and explore the characteristics of living in poverty in rural areas.

The recent review of the literature conducted by SAC identified several key factors that contribute to rural poverty: **employment, income, housing, health and access**. Although these are also factors of urban poverty, the evidence points to there being characteristics that are particular to rural areas which makes rural poverty different to urban poverty. The experience of living in poverty in a rural area would be a distinct experience from living in poverty in an urban area.

### *Employment*

The key findings from the literature regarding employment and the experience of living in poverty in rural areas:

- a) Although employment levels are high, rural employment is often low paid, seasonal, part-time and in low productivity sectors, and it is common to have more than one job (8% of people in rural Scotland have more than one job compared to 3% in the rest of Scotland)
- b) Thus the problem of “working-poor” is a factor in rural Scotland
- c) Workers may be more reluctant to speak out about poor/illegal working conditions
- d) A higher than average number of people are self-employed (22%) compared to the rest of Scotland (9%)

Therefore SAC recommends that the type and quality of employment is just as important as the number of people in employment. The Framework for tackling poverty, inequality and deprivation should have greater emphasis on eradicating in-work poverty in Scotland. Greater help should be given to support the self-employed and small businesses (84% of businesses in remote rural Scotland employ 0-49 employees compared to 32% in the rest of Scotland).

### *Income*

The key findings from the literature regarding income and the experience of living in poverty in rural areas:

- a) Average earnings are lower in rural areas than in the rest of Scotland
- b) The cost of living in rural areas is often higher than in urban areas across certain key indicators: house prices, fuel costs, transport costs and food
- c) Low income households may not identify themselves as living in poverty

Earnings are lower in rural Scotland due to employment being concentrated in low productivity sectors. In terms of sectoral employment, the primary industries of agriculture, forestry and fishing are the most significant in remote rural areas (in terms of number of employees) followed by predominantly public sector jobs in education, health, social work and other community, social and personal services, and then wholesale, retail and repairs.

The Cohesion Golden Rule commits the Scottish Government to delivering more balanced growth across Scotland. This target will only be achieved if the quality of employment in rural areas is improved. The productivity of rural employment (as measured through Gross Value Added (GVA)) is lower than the rest of Scotland, as shown in table 2:

Table 2: GVA per head by rural area

<b>GVA per head BY RURAL NUTS 3 AREA** 2005</b>	<b>£m</b>
Aberdeen City, Aberdeenshire and North East	
Moray*	22 315
Angus and Dundee City*	15 506
Scottish Borders	11 763
Perth & Kinross and Stirling	15 073
Dumfries and Galloway	12 355
Caithness & Sutherland and Ross & Cromarty	11 374
Lochaber, Skye & Lochalsh and Argyll and the Islands	11 497
Eilean Siar (Western Isles)	13 060
Orkney Islands	14 176
Shetland Islands	16 899
South Ayrshire	14 974
Inverness & Nairn and Moray, Badenoch & Strathspey	15 570
Scotland	16 943

\*\* Rural NUTS3 consistent with rural NUTS3 areas listed in Scottish Government (2007)

\*NUTS 3 area includes urban element

Source: Office for National Statistics

### *Housing*

The key findings from the literature regarding housing and the experience of living in poverty in rural areas:

- a) There is a shortage of affordable housing in rural Scotland, particularly smaller properties such as flats.
- b) There may be a higher prevalence of “asset rich cash poor” and “mortgage poor” in rural areas due to more people being home owners and owning their own businesses

The extent to which lower than average incomes are problematic in rural areas is dependent on the cost of living, and as Weber et al state: “The most common critique in this regard is that the official poverty thresholds do not account for cost-of-living differences across space (e.g. region, metro/nonmetro county)”<sup>1</sup>. It is often assumed that the cost of living is cheaper in rural areas, however the evidence regarding house prices, transport and fuel costs and food costs, which are calculated to be 8% higher than the rest of Scotland shows that costs can be higher in rural areas<sup>2</sup> (Scottish Government 2007).

In the last year the costs of the main agricultural inputs have risen strongly. Feed costs have risen significantly, fertiliser prices have risen by more than 100% and rebated (red) diesel prices by more than 40%. Higher input costs have hit some sectors harder than others. Intensive livestock farms in particular have seen high feed prices erode margins during the 2007/08 year<sup>3</sup>. Thus, income measures of

<sup>1</sup> Weber, B.; Jensen, L.; Miller, K.; Mosley, J. & Fisher, M. (2005) “A Critical Review of Rural Poverty Literature: Is There Truly a Rural Effect?”. *International Regional Science Review*, 28 (4), 381-414.

<sup>2</sup> Scottish Government (2007) Rural Scotland: Key Facts 2007. Edinburgh.

<sup>3</sup> <http://www.sac.ac.uk/mainrep/pdfs/fertilisercosts.pdf>

poverty do not adequately consider differences in out-goings and cost of living issues.

### *Access*

The key findings from the literature regarding access and the experience of living in poverty in rural areas:

- a) Access is a key factor in making living in poverty in a rural area a distinct experience to living in poverty in an urban area
- b) Access is a cross-cutting issues and is a significant aspect of living in poverty at all stages in the life cycle
- c) Access is not just about the distance to travel to local services but about a wider ability to access the services that enables a person to participate in society

In 2004, the Scottish Executive set a key “Closing the Opportunity Gap” target to improve the accessibility and quality of services available in rural areas. This was in response to the lack of services being identified as a ‘defining feature’ of many rural areas, and a problem that impacts upon ‘the quality of life of communities and individuals’<sup>4</sup>. The Scottish index of Multiple Deprivation 2006 shows that, in general, those in rural areas are less likely to live within a 15 minute drive of key services, than are those in the rest of Scotland.

Access to transport and the cost of transport are essential factors in living and doing business in rural areas and the Scottish Government has recognised inadequate public transport as a major cause of social exclusion in rural areas<sup>5</sup>. Indeed research in 2006 continued to highlight access to public transport (including the integration of different services) and the rising cost of private transport (cost of fuel and the lack of petrol stations)<sup>6</sup>.

### *Health*

The key findings from the literature regarding the health of individuals and the experience of living in poverty in rural areas:

- a) Though overall health status is on average better in rural areas than elsewhere health inequalities are increasing amongst the elderly population in rural areas meaning implications for service delivery
- b) Issues of mental health, suicide and alcohol misuse are experienced differently in rural areas than urban areas, due to rural culture and the higher “visibility” of individuals in rural communities, thus a differentiated approach to tackling these problems in rural areas needs to be successfully implemented

The remote rural population of Scotland appears to have experienced the greatest rise in health inequalities, particularly in recent years. Health inequalities amongst those aged over 65 years are greater in rural areas when compared with an

---

<sup>4</sup> Scottish Executive (2006) Closing the Opportunity Gap. Edinburgh: Scottish Executive.

<sup>5</sup> Scottish Executive (2001) *Poverty and Social Exclusion in Rural Scotland – A Report by the Rural Poverty and Inclusion Working Group*. Edinburgh: Scottish Executive.

<sup>6</sup> Scottish Executive (2006) Closing the Opportunity Gap. Edinburgh: Scottish Executive.

equivalent urban population<sup>7</sup>. This may be due to the socio-economic difference between local lower class elderly and the non local middle class in-migrants in rural areas<sup>8</sup>. Two such disparate groups are likely to have differing needs in terms of health service provision.

Mental health issues, suicide and alcohol misuse are issues in rural communities that need further research and understanding, as highlighted by the Rural Poverty and Inclusion Working Group in 2001<sup>9</sup>. Their report highlighted that physical isolation from social networks and support services, combined with a heightened culture of self-reliance, was thought to contribute to stress, anxiety and depression in rural areas. Problems in accessing alcohol and drug treatments were identified and the issue of individuals being more visible in rural communities often resulted in families and neighbours being more likely to support an individual rather than seek or accept professional help in order to avoid social stigma.

The above evidence has shown that rural poverty is distinct from urban poverty and, consequently, different policy solutions are needed. SAC are pleased that the discussion document recognises that a "one-size" fits all approach is not appropriate, and we look forward to the needs of rural Scotland being reflected in the final Framework document.

---

<sup>7</sup> Levin, K. A., & Leyland, A. H. (2005). "Urban/Rural Inequalities in Suicide in Scotland, 1981–1999". *Social Science & Medicine*, 60, 2877–2890.

<sup>8</sup> Lowe, P. (2003). "Think About the Greying Population". *Rural Europe*, pp. 8–9.

<sup>9</sup> Scottish Executive (2001) *Poverty and Social Exclusion in Rural Scotland – A Report by the Rural Poverty and Inclusion Working Group*. Edinburgh: Scottish Executive.