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Community Enterprise Wales
Evidence Paper National Assembly for Wales
Agriculture and Rural Development Committee

Introduction:

Broad Based thoughts and comments to put a context on where community economic development fits in to regenerating Rural Wales

Where ever we live in Wales - Rural Villages, Semi Rural Towns, Urban Towns, Cities, Valleys, we all want the same things a chance to earn our own living, jobs, a healthy economy, decent places to live, good public services and an attractive safe environment to live and be with our families.

The challenge that we have is how do we adapt to a fast changing world, the macro environment. The whole of the Welsh economy has changed, our life style has changed. Global is imposing on local. Our rural areas have been left behind and often left out of strategic planning that has tended to be urban based and focused.

The priority for managing the change is how we manage our people to be able to manage the changes both in life style and in their changing environment. People must come first. Economists have to be reminded that the whole purpose of economic planning is to give people freedom.

- Freedom from poverty,
- Freedom from stress,
- Freedom to chose,
- Freedom to take risks

The Labour Government sets as its tablets of stone. Its engagement of local people in partnership for change, enabling of communities to take a decisive role in determining their own future. This is also the approach they advocate to tackle social exclusion and to produce sustainable economic growth.

One of the outcomes of the fast " hot spot " development we have experienced in our First World is Third World like "cold spots". These are characterised by increasing poverty, declining services,

unemployment, de-population, decline in the quality of the built environment, lack of public services etc. There is acute awareness of this in urban areas: the problem is no less acute in many of our rural areas. The difference is in the perception; rolling hills, trees and dry stonewalls, often mask the rural problems.

There are many differences between rural and urban communities, but there are also inextricable links: economic, social, environmental, and cultural that have to be noted and taken into account. Our livelihood and well-being depend on both. This is something rural communities are far more aware of than their urban counterparts.

The basis of this idea has been arrived at over a number of months working with and talking to numerous and diverse rural communities in Wales.

These communities have been both geographically based and communities of interest.

They are thoughts and need further expansion and modelling, this is just the basis for further work.

I see a real need to

1. Have a far more strategic and integrated approach to rural needs in economic and social contexts. What is out there is patchy, very much hit and miss, and depends, rather like the health provision, on where you are. There is no equal opportunity.
2. There is lack of vision and lateral thinking in policy. If you talk with communities they have ideas and views and dare I say it "dreams" of how their villages, towns, etc. could look and thrive. There is energy out there. To tap into that would mean taking risks and going with untried ideas and methods of development and cutting bureaucracy at Local Authority Level and National Assembly Level. But if we don't do something different, something new, we will see the continued decline in rural Wales.
3. We need to look at what can be integrated into national strategies, that can be run by local committees on a franchise or network basis: not by agencies who keep top slicing and are often too far removed from the communities they are trying to serve, both in real miles, real understanding and real thinking.
4. Focus on the growth sectors. Not all local needs will easily translate into the development of local markets or commercial ideas. Some offer more potential than others. There is **little** robust information about market potential in rural areas – why?

Not all social economy measures are targeted at social exclusion or promoting regeneration. They have a dynamic of their own, are 'One Stage' GDP/GNP multipliers.

We have, in rural, as in urban areas, to match the problems with solutions using the right tools, e.g.

- Credit Unions and LETTS Schemes reach and extend services to local people, they do **not** have any other than a marginal impact on reducing fiscal leakage. We can identify the ‘illness’ and treat symptoms, or find the cause and be more radical.

This is where I feel we are not making the linkages and where so many well-intentioned initiatives are failing.

Panadol mask the pain in the head – they do not identify the ‘tumour’ causing the pain!!

I feel, at a more localised level the ‘root causes’ can be identified by the communities themselves. If we can build from there we are on a far firmer foundation to achieve increased sustainable growth.

What can be put into that?

- **Rural and Urban Post Offices.** Run as a Wales network, which could be set up as a community business (of interest) that could be funded through Europe. It would give economies of scale and look at what can be accessed nationally and delivered locally.
- **Childcare.** Looking at new methods of Sharecare and creating social business networked in with training programmes and resources funded through a Welsh national programme. Integrating existing programmes and support into the plan. They could provide access for parents into other routes too – such as training, education, healthcare.
- **Young People....** research initially into how programmes like foyers, enterprise programmes adapted and run by farmers/local rural business etc. can be set up. The rural enterprise mentors would be paid for their time and expenses. But these incubators could encourage diversification for young people on farms who do not want to, or cannot go into family farms.
- **Community Business....** a team designated to access and develop people and community groups within 15-20 miles radius. Linked in again to the more specialised staff of existing organisations. "Naïve experts" plus professionals. Existing support is just not enough and does not reach local groups to a satisfactory level.
- **Women in rural areas.** Recognition of their contribution to economic activity and how their skills can be utilised at local level but marketed and sold to much wider markets, e.g. food, hand craft, jewellery, accountancy etc. Creating jobs that are flexible in terms of time, delivery and markets.
- **Third Age.** More use made of existing skills and over 50's, paid to use these skills in developing people and initiatives (we have a Third Age strategy and project in place which we would like to pilot).

- **Farmers markets....** networked and existing knowledge documented to aid new initiatives. Funds made available for visits and compensation for time spent. Run by farmers for farmers. Keep the money in the delivering sector.
- **Organic Horticulture....** leased land for community use.
- **Information....** organised and stored in villages/towns with easy access for all. Information on funds in understandable format, "maps" and "routes" and named contacts available. Not limited to just economic information, these info banks could be in schools, halls etc. (not any Official place). Funded through Euro programmes.
- **Rural Champions/"whatever"** – really just motivated people with time, commitment and enthusiasm identified to be trained to encourage and enthuse others. Create real jobs to do this: retailers, business etc., have a hit squad that could go to similar communities and raise awareness of the possibilities and again show the routes and successes.
- **Looking at innovations in Europe....** that we could use. For example village windmills, village DIY (Denmark), Franchise of Land (Brittany), Fishing and allied produce markets (Brittany and Normandy). Local Quality Assurance (Flanders)
- **Buildings....** catalogued and possible uses suggested. If no use, knocked down and the land used to provide needed resources such as, workshops, small shops, cafes, flats, houses, youth facilities etc. This is a job the WDA could do. (There Will have to be a drastic change in planning guidance and attitude for ‘agricultural’ areas to achieve this)
- **Local Government....** there has to be a culture change!

Thoughts

- The economies have to be outward looking but exploiting local opportunities and strengths.
- Tool kit approach.... use the best value models for identified needs and outcomes.
- Greater engagement of the private sector with community and co-partnerships formed if needed.
- What works and why approach.
- Financial modelling is critical.... face up to the need to take risks (measured).
- Evaluate, with targets, benchmarks and outcomes relevant to their setting.
- We need dynamic community commerce.
- We need new directions with good ‘maps’ on how to move to them.
- Policy has failed to reduce disparities sufficiently and consistently we have to be imaginative and radical. Our rural areas need new patterns of wealth creation and distribution.
- We need to look at what *we can do* and phase the development towards that.
- We need to forge innovative relationships between all stakeholders in the rural economy, the wider civic and political society.

- We need to provide a catalyst and trajectory for growth, not a blueprint.
- Success is dependant on a culture change in rural Wales as much as it is on the latest policy, partnership or project.
- We need to look at new business opportunities that develop clean, sustainable development and exploit them, the trend is there.
- Trust and empower rural communities. Most have wide experience of handling cash and surviving.

Need

1. A research grant to work on and expand these ideas to work with interested and capable farmers, communities and people in rural areas to draw-up ways forward for these and other ideas that may arise.
2. A realisation that entrepreneurial is a **doing** word and an entrepreneur is a proactive noun.
3. Change is a positive when it is undertaken in the **right** way for the right reasons. We need to evaluate what is still working and producing results. What is not 'contributing' needs 'root and branch' surgery? We have to face up to the fact we cannot in rural areas have a 18th century structure and way of life to survive in the 21st century.

Barriers to Greater Economic Diversification

- Parochialism.
- Lack of investment in people development.
- Lack of visionary thinking or the opportunity for those with new and different ways forward to be heard.
- Failure to see the difference in farming and the wider agri economy which can be further segmented (not prioritised) into
 - craft
 - farm related
 - straight mainstream business
 - community and co-operative
 - food
 - countryside related
 - tourism
 - any other

All need specific support and strategic planning.
There is not one overall agricultural/rural economy.

Ways to Encourage Diversification

- Training

- Awareness Raising
- Confidence Building
- Offering a wider support for young people, women, and non-traditional 'entrepreneurs'.
- Research and Development Funding
- Innovation Grants
- People Related Support
- Childcare
- On Site Training etc.

Review of local assets and liabilities. Getting 'communities' of interest as well as graphical to plan for themselves.

- Taking a more integrated approach. Seeing where the various target groups can work together in more sustainable ways.
- Looking more creatively at solutions - using Euro Models from similar small euro countries such as Scandinavia.
- Using culture as a unique selling point.
- Recognising that many of the problems in rural areas are very similar to those in urban areas and addressing root causes, rather than symptoms.

Family Farms & Sustainability

Firstly we have to see what is really meant by sustainability - can they exist as businesses?

1. They need access to business development and support just as in urban areas.
2. Why don't we offer the same type of grants to Farmers as we do to SMEs?
3. Facilities audits of what can be 'diversified'

Skills audits of the 'farm communities'

Where are the gaps in relation to the aspirations?

- How can we invest in good marketing to create niche demand?
- Farms are a 'SME sector' on their own and deserve the same support and planning as any other sector. Conversely if they are not sustainable economically what do we put in place to act as a fail-safe?
- The National Assembly must assume responsibility for the integration and co-ordination of rural development policy

- We need a lead body to take up promoting rural development and ensuring equality of treatment and the allocation of resources

Successful regeneration will depend on accepting the challenge of post –industrial development, rather than participating in an unequal contest with urban areas. Maximise on the unique selling points we have in rural Wales and look long term to a resilient sustainable economy, avoiding the quick fix of increases in economic activity and GDP. Engaging communities and integrating their ideas and energy is an inherent part of laying the foundation to regenerating rural Wales.

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