14TH OCTOBER 2004

EAST OF ENGLAND MODERNISING RURAL DELIVERY PATHFINDER (Report by Planning Policy Manager)

1. INTRODUCTION

1.1 This report outlines the recent Government announcements with regards modernising rural delivery (MRD) and seeks to obtain Cabinet approval for involvement in the East of England MRD Pathfinder bid and subsequent implementation of the project.

2. BACKGROUND

- 2.1 This summer Defra published the Rural Strategy 2004. This followed a series of key pieces of work, namely:
 - 2000 Rural White Paper Our Countryside: The Future A fair deal for rural England
 - Social & Economic Change and Diversity in Rural England Report
 - Strategy for Sustainable Farming & Food
 - Lord Haskins Rural Delivery Review
- 2.2 The Strategy retains the Government's agreed vision for rural areas, set out in the Rural White Paper, as:
 - a living countryside, with thriving rural communities and access to high quality public services;
 - a working countryside, with a diverse economy giving high and stable levels of employment:
 - a **protected** countryside in which the environment is sustained and enhanced, and which all can enjoy; and
 - a vibrant countryside, which can shape its own future and with its voice heard by Government at all levels.
- 2.3 Economic & Social Regeneration, Social Justice for All and Enhancing the Value of our Countryside are set as the three themes for new rural policy objectives.
- 2.4 The vital role of local authorities working in partnership is highlighted in the Strategy along with the potential to devolve delivery even closer to our rural communities, as had been recommended by Lord Haskins. With the exception of London, each region has therefore been asked to develop a framework for regional rural prioritisation and delivery and to propose a 'Pathfinder' whose purpose is to explore options for better local delivery in rural development.

3. EAST OF ENGLAND RURAL DELIVERY PATHFINDER PROPOSAL

3.1 The Pathfinder proposal will enable partners to work together to assess how rural delivery can be more effective at the local level and bring forward new solutions for success. During this financial year, Phase 1 will map rural funding streams and research both their efficiencies and barriers to success. This should ensure a greater understanding and co-ordination of a range of delivery programmes and how they link with other actions, such as those via the Local Strategic Partnership. Phase 2, during 2005/6 and possibly beyond, will test new options for local delivery mechanisms, linking where possible to the new Local Public Service Agreement (LPSA) targets –

Huntingdonshire District Council is working with Cambridgeshire County Council, one of 20 local authorities taking part in this pilot of a new 'Invest to Save' performance contract between central and local government.

- 3.2 The geographical area to be covered by the pathfinder is the fens of Cambridgeshire and Norfolk. It is an area that transcends local authority boundaries and roughly follows the Defra Countryside Character area of the Fens.
- 3.3 The area faces a range of issues, particularly regarding poor accessibility, which is both a key rural development issue itself and a key determinant in relation to other issues, such as increased costs of service delivery. Following an outline analysis of the Community Strategies for the Fens Pathfinder area, it has been shown that there are a number of common themes, which the Pathfinder would focus on:
 - Skills and Education
 - Economic Development
 - Accessibility to Services
 - Health and Social Care
 - Environment
 - Community Cohesion.
- As the closing date for receipt of bids to Defra was 3 September, the Head of Planning Services with the support of Cllr Guyatt, Planning Portfolio Holder, agreed to Huntingdonshire District Council's involvement to date in this joint bid. Endorsement of that action and future engagement is now sought. Details of the proposed bid, including membership of the core partnership, are shown at Annex A.

4. RESOURCE IMPLICATIONS

- 4.1 The East of England Rural Pathfinder will be jointly led by Cambridgeshire and Norfolk County Councils. Defra has acknowledged in the Rural Strategy 2004 that such work could bring new burdens to local authorities and has stated that these would be reflected in budgetary transfers in the normal way. The lead partners have already been asked to consider any future financial implications this work might bring.
- 4.2 Huntingdonshire District Council is recognised as being in a strong position to assist in this work as:
 - it is seen as being an ideal partner to show the benefit of such working as the district is diverse in its socio-economic make-up and, as such, cannot have a blanket policy approach to address the needs of its rural communities but must consider locality differences:
 - it has already recognised the importance of working with local rural communities through a range of actions including the creation of a post for rural renewal and the prioritisation of actions in the Ramsey area; and
 - it is actively engaged in the work of the Cambridgeshire Rural Forum.
- 4.3 For the immediate future there should be no cost to the Council for this project other than involvement of staff in the project delivery. It is not known when Defra will respond to the bid submitted, although it is hoped this would be within 60 days. If the bid is not successful, the project is unlikely to proceed.

6. RECOMMENDATION

6.1 It is therefore **RECOMMENDED**

(a) that the action taken to be involved in the partnership bid to Defra be endorsed;

(b) that, in the event of the application being successful, the Cabinet agrees to the involvement of Huntingdonshire District Council in the project

BACKGROUND INFORMATION

Rural White Paper Our Countryside: The Future – A fair deal for rural England Defra Rural Strategy 2004 Huntingdonshire Local Plan Huntingdonshire Community Strategy 2004

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Annex 1

SUB-REGIONAL RURAL DELIVERY PATHFINDER PROPOSAL

Region: East of England

Sub-region: Cambridgeshire, Norfolk and Peterborough Fens

Background: The Fens form a defined geographical area with social, economic and environmental characteristics that transcend local authority boundaries. The area is predominantly – though not exclusively – rural in character with mainly flat topography, rich, fertile soil and a dispersed settlement pattern including villages, isolated hamlets and market towns, largely reflecting its agricultural heritage. It is bounded on two sides by Cambridge and Peterborough, now brought together as part of the London-Stansted-Cambridge-Peterborough growth area, but does not share the benefits of the economic boom being experienced by its prosperous neighbours.

By 2001, the population of the East of England Fens area was estimated at 306,000, a 7% increase since 1991. Included within the area are medium-sized settlements such as King's Lynn, Wisbech, March and the eastern part of the Peterborough unitary authority area. There are also large numbers of small, remote communities that are often cut off by the extensive drainage network for the area. This gives rise to issues regarding poor accessibility, which is both a key rural development issue itself and in a key determinant in relation to other issues, such as increased costs of service delivery. The Pathfinder would focus on key issues within the broad areas of Skills and Education, Economic Development, Accessibility to Services, Health and Social Care, Environment and Community Cohesion.

In examining the potential for more effective delivery, the Pathfinder would look at ways of improving rural productivity and access to services for rural communities, delivery of the Sustainable Farming and Food Strategy and opportunities for capitalising on environmental assets to generate social and economic benefits.

Proposed partnership: The local authorities covered by the sub-region include the two County Councils of Cambridgeshire and Norfolk plus Peterborough Unitary Authority; Fenland District Council, East Cambridgeshire District Council, South Cambridgeshire District Council and Huntingdonshire District Council (all in Cambridgeshire) and King's Lynn and West Norfolk Borough Council in Norfolk. In addition, the three sub-regional economic partnerships - Shaping the Future (Norfolk), Greater Cambridge Partnership and Greater Peterborough Partnership are included in the Pathfinder partnership, as are English Nature, the Countryside Agency, the Environment Agency, Defra RDS and Rural Action East (for the RCCs) and the Fenland Neighbourhood Management Pathfinder partnership.

The joint lead partners would be Cambridgeshire and Norfolk County Councils.

The proposed pathfinder would offer an opportunity for testing delivery and linked authority working across county and district boundaries, involve a unitary authority and examine relationships between a rural area and urban centred sub-regions. Additionally, there could be scope for looking at cross-regional linkage and delivery with Lincolnshire and South Holland District.

Economic and social issues: Two districts within the sub-region (Fenland and King's Lynn & West Norfolk) are indicator districts for the Defra PSA 4, with GVA/head in the lowest quartile nationally. Additionally, Peterborough is in the second tier of lagging indicator districts. Performance indicators generally across the sub-region indicate considerable variation in the quality of life. Parts of Huntingdonshire have experienced high levels of economic growth and low unemployment (generated largely by ease of commuter access to London, Cambridge and the Midlands). At the other end of the scale, however, there are pockets of social and economic

deprivation and affordability of housing is a real concern. Wisbech North ward in Fenland District is within the bottom 10% of national IMD rankings. A substantial traveller population suffers some of the most extreme conditions of rural deprivation of all rural communities.

A number of factors combine to create barriers to breaking the existing cycle of deprivation. In Fenland District, only 36% of children attain 5 or more GCSEs at A*- C compared to a national average of 53%. Average life expectancy is 80.3 years and 74.7 years for women and men respectively compared to national averages of 80.6 and 75.9. 38% of people aged 16-74 hold no formal qualifications, compared to a national average of 29%.

The economy of the area has traditionally been heavily dependent on agriculture and food production and the Fens is one of the most productive farming sub-regions in England, with Grade I and II soil types and some 2,831 agricultural holdings. Intensive local production focuses on arable and horticulture, particularly cereals, salad crops, sugar beet, potatoes and some soft and top fruit. Many of these holdings currently receive no benefits under the CAP, but are likely to become eligible to receive the new single payment under CAP reform arrangements. Farm businesses are generally large and highly commercial. Many are externally owned and a strong agri-food cluster has developed, with a number of food processing companies located close to the source of production. However, only a small proportion of the produce grown or processed in the area is marketed locally

There is a cluster of socio-economic issues around food production and processing in the Fens, all of which are being addressed through the regional delivery plan for the Sustainable Farming and Food Strategy. There are particular issues around health and the low consumption rates of fruit and vegetables in an area that is a major producer; issues around migrant worker and gangmaster activity associated with the harvesting, processing and packaging of fruit and vegetables; and increasing pressure on the local infrastructure, particularly the road network, as food processors and distributors strive to meet the demands of the global food market.

Environmental issues: The Fens are an area of former wetland reclaimed from the sea and maintained through drainage. The landscape is therefore of considerable historic interest but it is increasingly fragile and vulnerable. Much of the original fenlands were drained for farming in the 17th and 18th centuries, and countless plant and animal species have been lost. Following centuries of intensive agricultural production there are now problems with soil erosion and degradation. There is considerable scope to secure sustainable economic and social benefits from environmental assets, for example through tourism and renewable energy. There is work underway by the National Trust (at Wicken Fen, near Ely) and a partnership comprising English Nature, the Environment Agency, Huntingdonshire DC and the Wildlife Trusts (the Great Fen Project, near Ramsey) and others to protect and restore the fenlands, both for habitat and recreational purposes. Much of the area is below sea level and is at risk of flooding, both from rivers and from the sea. The low-lying topography of the fens makes them especially susceptible to the effects of climate change. At the same time, rainfall here is amongst the lowest in the country. These factors provide particular challenges for the economic development of the area.

Countryside Access: There are many examples of good work in relation to rights of way in the sub-region: the Cambridgeshire and Peterborough County Farm Estates have invested in public access schemes and recreational woodland trails; a number of District Councils have invested in public walks and helped ensure public rights of way. The Great Fen is a developing project that will help restore the original habitat and maximise visitor numbers. Farmers are encouraged to ensure permissible access rights under the Countryside Stewardship Scheme. There is a growing interest in waterway access using the existing complex of rivers and drainage canals, with real potential for recreation and tourism in the area. The Environment Agency's Fens Waterway Link Project will open up 240km of waterway for recreation, tourism and the environment through the Fens. It has the potential to attract up to one million visitors, generating around £14 million worth of revenue every year.

Capacity, competence and willingness: The Pathfinder will be led by joint partners - Cambridgeshire and Norfolk County Councils. They are effective strategic partners and the Pathfinder will provide a platform for the development of stronger sub-regional partnerships. The county leads are well placed to engage with local authorities at the sub-county level, and relationships with districts and other partnerships are generally good. In the Local Authority Comprehensive Performance Assessment (CPA) ratings, both Norfolk County Council and Cambridgeshire County Council received a "good" assessment. There is a clear enthusiasm for the Pathfinder and a willingness to engage with a range of partners across the counties in order to identify problems, explore priorities and develop innovative solutions.

Three sub-regional economic partnerships - Shaping the Future (Norfolk), Greater Cambridge Partnership and Greater Peterborough Partnership – work closely with their local authority partners, while Local Strategic Partnerships across the sub-region are at varying stages of development. Fenland LSP is keen to develop rural partnership working with surrounding districts, while Kings Lynn & West Norfolk LSP has identified a number of cross cutting priorities. Other LSPs have or are developing Community Strategies incorporating a range of rural priorities.

Local PSA negotiations: Both County Councils are pilots for the second round of LPSAs and negotiations with ODPM are at an advanced stage in both cases. Rural issues are a strong theme in both and the Pathfinder will therefore provide an opportunity to develop vehicles for delivering LPSA targets.

Funding: The Pathfinder will address issues of funding, both from the perspective of current and future need and in terms of existing funding sources. In the context of the Government's sustainable development aspirations, the Fens hold enormous potential for generating economic and social value from rich environmental resources through tourism, agricultural diversification and the development of non-food crops and renewable energy. The Pathfinder will look at extension of existing funding streams, and the creation of new ones to support these and other new activities. Much of the present funding into the sub-region, such as that under European structural programmes, is time-limited. The range of current funding streams includes:

- £2.5 million Neighbourhood Management Pathfinder programme in Wisbech North and parts of the surrounding rural hinterland
- £1 million Objective 2 funding in Cambridgeshire
- £235k joint Cambridgeshire/Norfolk ERDF funding
- £15 million Objective 3 European Social Fund projects in Cambridgeshire
- £3 million Fens LEADER+ Improving the quality of life in rural areas
- EEDA rural renaissance, Investing in Communities and other community programme funding
- Defra funding under the England Rural Development Programme.

Voluntary and Community Sector engagement: Home Office and Defra VCS funding is being targeted at building the capacity of the sector in Cambridgeshire and Norfolk. Cambridgeshire ACRE and Norfolk RCC are engaged in this work and their umbrella body, Rural Action East has been involved in discussions on the Pathfinder.

General summary and recommendation: The proposed area identified for the Pathfinder will give us ample opportunity for cross-boundary working, providing valuable insights in to rural

delivery issues which, by their nature, will naturally transcend existing administrative boundaries. The key issues represent an effective balance between the cross-cutting themes of economic development, community development and environmental activity.

The Fens would be a challenging area for a pathfinder and one that would provide a major opportunity for cross-boundary working and testing delivery mechanisms. In terms of its landscape and natural environment, the area is unique, yet it faces many of the issues typical of rural areas – low economic performance, pockets of extreme social exclusion and poor access to rural services. Its environmental assets provide a platform for growth and the Pathfinder should allow testing of different rural delivery mechanisms to address these issues and to develop linkages to existing mainstream activities.

The proposed partnership for managing the strategic direction of the Pathfinder will be broad enough to be fully inclusive and ensure effective and active involvement from all partners who hold and administer funding in rural areas, and that the views of all stakeholders, including the voluntary and community sector are taken into account. The East of England Development Agency and the East of England Regional Assembly fully support this proposal.