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PLUNKETT'S VISION

FOR A COVID-19 RURAL RECOVERY



JULY 2020

Introduction

At the time of writing this visioning statement, communities across the UK have had life as they know it turned upside down by the Covid-19 pandemic. Throughout this crisis, rural communities have demonstrated incredible strength and resourcefulness to provide vital services and support to people living there, and especially to those who are vulnerable. Community businesses have been at the forefront of this response, and we are proud the model we have so long advocated has stood the test of time.

Looking to the future, communities across the UK will need support to recover from the aftermath of this crisis. We have listened to our members and other stakeholders to explore what they believe is needed for rural communities to recover and what role Plunkett and community businesses might play. Along with measures and initiatives that respond directly to issues such as unemployment and the decimation of the visitor economy, there is also an ideal opportunity to build the resilience of rural communities, and address existing vulnerabilities in the system which were highlighted and exacerbated during the crisis. These findings have led this statement to go beyond a 'recovery' in its vision and to look towards a broader 'rural renaissance'.

Our vision for a stronger more resilient future for rural communities focuses on five central opportunities:

- 1. Leading the way in the re-localisation of supply chains, including supply of local food**
- 2. Unleashing the potential to boost employment and training opportunities**
- 3. Enhancing business performance and customer retention through digital technologies**
- 4. Refreshing and diversifying the volunteer network**
- 5. Harnessing positive environmental impact through community business**

These pillars of activity fully complement Plunkett's existing strategy and vision for thriving, resilient and inclusive rural communities. We will be sharing our vision with funders, supporters, members, government departments to garner more support for a rural renaissance with community businesses at its heart. We will also use this vision to underpin and illustrate our responses to wider consultations that affect the growth and national investment in rural communities, both in the wake of Covid-19 as well as shaping the longer-term investment in rural communities at a national level.

We need the support of central and local government, funders and partners to:

- 1. Create meaningful opportunities to engage with us and listen to the experiences of communities**
- 2. Invest directly into the community business sector**
- 3. Investment in infrastructure support to in turn support community-led change**

Opportunity 1: Re-Localisation of supply chains

Challenge:

Whilst food security was a widespread issue throughout the pandemic, and largely at risk given the dependence on national and global supply chains, rural communities were disproportionately affected. Community and independent village shops throughout the UK were let down by centralised wholesale systems that failed to supply the most basic goods and essentials supplies. On the other hand, we saw supermarkets recover quickly, further illustrating the fundamental failures of a system favouring those with mass purchase and buying power. We witnessed a direct contradiction to the Government's call to the groceries industry to work together to ensure those shielding or self-isolating were able to access the supplies they needed – yet again, rural communities were overlooked. The result being that their customers and volunteers were forced to travel to towns and cities at exactly the time they were told to stay at home. Those without private transport, or underlying health conditions were dependent upon community initiatives and neighbourliness, which thankfully we saw in abundance, despite the inherent risks to health and wellbeing that went with it. It has taken this disaster for the fragility of global supply chains to be taken seriously, emphasising our dependence on the disproportionate power of large corporations, along with the absurdity of not being able to access food and goods grown or produced on the doorstep.

Fortunately, many rural communities stepped up to help those most in need as well as seeking alternative supply and distribution channels restricted by the pandemic. Volunteers formed rotas to undertake essential shopping for those unable to leave their homes, established buying groups of core goods and services and coordinated prescription collections. Rural businesses established pop up distribution hubs to further their reach, diversified their services to manage online grocery orders or provide takeaway services, and mobile services such as a butchers and fishmongers became common place. Many rural businesses, such as flour mills, have adapted quickly to significantly up their processing and output, to help provide to the retailers no longer able to access supplies through their established supplier networks. For many, seeing that there is a different way to run things, has sparked an interest in getting involved in community life and sowing the seeds for start-up community owned and controlled businesses.

Vision:

Localising and shortening supply chains offers benefits to everyone: it reconnects people to where their food and goods come from and gives them the opportunity to make informed and ethical choices; it creates local and diverse opportunities for employment throughout production, processing and selling of goods; it helps keep money in the local economy multiplied throughout the supply chain; it incurs lower mileage and reduced transportation and is therefore good for the environment; and above all, it offers greater resilience with local people in control of how they source their core goods and services.

'Communities taking control' is a phrase Plunkett has seen in use many times over its 100-year history, and it is never more relevant than now with the potential for rural community businesses to be at the forefront on re-localising their supply chains. Imagine people from diverse backgrounds coming together to have a hands-on role in local food production through community gardening, community supported agriculture, community owned farms and community fisheries. Imagine communities shaping the processing of food through the creation of community bakeries, butchers and cafes. Imagine communities facilitating the supply and distribution of food through buying groups, community shops, farmers' markets and wholesaler cooperatives. Imagine going beyond not just food but inspiring an entire re-localisation of goods and services through a revival in cottage industries, rural crafts and light industries and the associated employment opportunities. This is what community businesses already do – but their potential is little known or recognised. Our vision is to see a significant scaling up of this sector.

How we will work to achieve this:

- A national campaign is required to build on the general public's awareness of the diverse nature of the rural community business model and their potential to scale up local production and re-localise supply chains.
- More bespoke support is needed to help even more communities establish community businesses and specifically those lesser known models which focus on local production and local supply, such as agriculture, crafts, and buying groups.
- New partnerships with other bodies and institutions which support and champion local entrepreneurship, social enterprise and co-operation will help to integrate local supply chains with independent businesses, social enterprises and sole traders who ultimately will create a thriving and resilient rural economy.
- The creation and promotion of an accredited certification and assurance scheme which promotes food and goods produced and sold within a 30-mile radius or within the same county would build public awareness and demand for local goods as well as create revenue potential for both community businesses and Plunkett Foundation.
- Secure funding to help new and existing rural community businesses to strengthen their connection with local suppliers and encourage the scaling up of local producer and buying groups.
- The appointment of a local food champion on the staff team at Plunkett would enable new strands of work to be developed which support new and existing community businesses to produce, stock and sell more local food, which in turn would stabilise supply chains, create new revenue streams, increased footfall, and secure a more informed and loyal customer base.

Opportunity 2: Boost employment and training

Challenge:

Rural areas are already associated with limited employment opportunities with higher income households travelling to urban centres for work and lower income households dependent on lower earning options in the local area. Covid-19 has already had a major impact on rural employment figures with DEFRA suggesting there have already been over 22,000 redundancies and a further 1.4m furloughed. Additionally, the number of people claiming job seekers allowance or universal credit between March and April 2020 increased by 88% in predominantly rural areas (compared with 59% in predominantly urban areas).

Vision:

Rural community businesses currently employ an estimated 3,500 people across sectors including retail, hospitality, agriculture and forestry. Largely based in very rural locations, they very often are the only form of employment opportunity in those places, and therefore play a vital role in safeguarding livelihoods in rural areas. Additionally, community businesses take a particular interest to provide employment opportunities for those whom might otherwise struggle to find employment locally, including parents with young families returning to the work place, people experiencing physical or mental health issues, teenagers seeking experience in the work place, young adults looking for a stepping stone into a new career, older people perhaps on lower incomes or those seeking to remain active.

In response to the changing needs of a rural economy, the development and growth of a re-localised supply chain will be vital in creating new employment, apprenticeship and training opportunities in a broader range of industries including food, agriculture, manufacturing, hospitality and tourism. Factors such as home

working, the increasing migration of urban dwellers to the countryside seeking greater access to outside space and government support to kick start the economy, all have the opportunity to encourage new enterprising ideas to germinate in rural locations.

Enhanced connectivity between local businesses, suppliers and consumers will see a greater investment in, a rural economy which has overall growth and increased job security. This in turn will encourage more of its younger population to continue to live and work in rural areas, as well as attracting more economically active people to move to the countryside. With a more diverse rural population, there will be greater opportunity for rural community businesses to cultivate local skills, and the energy and expertise needed to see local businesses diversify and thrive. As well as providing excellent value for money in terms of the creation of opportunities in relation to the investment required, community businesses will have a responsibility to embed training and employment opportunities at their core, and facilitate nationally recognised qualifications and schemes to help local people progress in their careers and secure ongoing employment.

How we will work to achieve this:

- Advise and support to existing community businesses to increase employment opportunities through extended trading hours and diversification of activities, ensuring opportunities are accessible and available to all.
- Secure dedicated advice and funding schemes to help rural community businesses develop and create employment and training opportunities and affiliate with nationally recognised schemes and accreditations.
- Lobby central government departments to support new start-up rural community businesses through supportive policy and funding initiatives.
- Increase the evidence of the role and impact of community businesses in creating flexible job opportunities for all, particularly those who might struggle to access mainstream employment opportunities.

Opportunity 3: Harnessing positive environmental impact

Challenge:

Globally we are midst a climate crisis which has created a growing awareness of our individual, as well as collective, environmental responsibilities. The pandemic has heightened people's awareness and appreciation of how they access and benefit from the green environment. On a more local level, communities are increasingly looking to support schemes and businesses that endorse responsible environmental behaviours and encourage good practice. Communities are also actively seeking greater access to green spaces, well recognised for their wellbeing benefits, but often limited through restrictive private ownership. The rural environment is of paramount importance and needs greater community guardianship at a local, national and global level.

Vision:

During the pandemic, there has been an undeniable move towards localised services and deliveries, in turn bringing many environmental benefits. Plunkett's vision is that with a more locally focussed rural economy, we will see people needing to travel less to access shopping, services, activities and work and education. We also see a clear role for community businesses to diversify and not just offer the essentials but meet broader consumer demands around environmentally aware behaviours.

We would like to see more communities recognising the role that can play in generating change and utilising the community business model to adopt environmentally friendly schemes such as community composting, community energy and growing projects. Community businesses have led the way, and should continue to be at the heart of launching new green initiatives, owning open spaces such as woodlands with community value, as well as incorporating more environmentally beneficial activities into existing community businesses.

How we will work to achieve this:

- Develop funding and support for new forms of community business that enable community ownership of land and green spaces or which directly tackle the environmental crisis.
- Increase advice and support to community businesses aiming to incorporate environmental credentials into their development and diversification.

Opportunity 4: Greater utilisation of digital technologies in business

Challenge:

Currently, digital connectivity lags behind in rural areas – 11% of rural premises are not able to access 10Mbps – the download speed considered to be the minimum to fulfil basic online needs*. Poor digital connectivity is detrimental to the economic and social development in rural areas. Poor connectivity inhibits new business opportunities and as well as the introduction of digital solutions to support efficient business practices. Poor connectivity and low confidence also restrict an individual's access to many vital services such as banking, educational opportunities, information services, and can incur higher cost of living due to lack of access to comparison sites for energy and insurance renewals, for example. Many rural residents also tend to have low confidence and a lack of digital skills to optimise the advantages of greater technology use for social benefit, and to tackle issues such as loneliness during such times when many older and vulnerable residents might be shielding or self-isolation. The recent impact of Covid-19 has further emphasised that good digital connectivity is a basic necessity of modern life. It has also shown that with good digital connectivity people and business in rural areas can operate on a level playing field with those in more urban areas.

Vision:

Digital connectivity has the potential to overcome disadvantage that has long become labelled as a lifestyle choice when living in the countryside. Greater and more effective use of technology across all UK rural areas has the potential to introduce efficiencies to rural business that can increase productivity, profitability and diversity in service provision – such as online volunteer rota management, ordering from local suppliers, and introducing new online services. Integrating more digital solutions will see rural community businesses adapting to the new needs of rural residents both whilst living with the threat of Covid-19 as well as positioning them to play a competitive role in a thriving and resilient rural economy.

Community businesses can use technology to offer more services that improve the health and well-being of those that live in rural areas, such as managing prescriptions, facilitating remote consultations by video calling with medical professionals and providing digital hubs for community use as well as hosting other local services and deliveries.

Through investing in digital solutions, rural community businesses can become the diverse service and distribution hubs that will bring about much needed social and financial change and economic efficiencies to those living and working in rural communities. Facilitating greater digital connectivity and confidence will help bridge the increasing divide we see between urban and rural communities in terms of work, training, health, services and basic amenities provision.

How we will work to achieve this:

- Campaign for better digital connectivity for all rural communities to allow digital solutions to flourish and achieve positive rural economic change.
- Provide support, grants and training to rural community businesses to introduce digital solutions to place themselves competitively within new emerging markets and level up opportunities between all rural communities.
- Encourage community businesses to become digital hubs and support local residents to access online services, especially older or less digitally confident members, to recognise the benefits that greater digital connectivity can bring.

*State of Rural Services Report, 2018 – Rural Services Network

Opportunity 5: Expanding and diversifying the volunteer network

Challenge:

Volunteers are the life blood of community businesses. Rural communities often have a particularly rich potential supply of volunteers that, harnessed properly, can make an enormous difference to the lives of our rural communities. We have seen, in the response to Covid-19, the willingness of residents of rural communities to really step up to the mark and help their communities. However, the number one challenge recognised by community businesses in Plunkett's Better Business reports for two consecutive years has been the difficulty in recruiting and training the next generation of volunteers. Community businesses thrive on the skills, energy and commitment of volunteers. If community businesses fail to attract and recruit new volunteers, the sector will gradually disconnect from those it is there to serve and inevitably see an increase in closures and reduced long-term business survival rates (currently 96%).

Vision:

The willingness and enthusiasm of individuals to connect with others in their community has been a defining feature of the nation's response to Covid-19 with community volunteers ensuring essential supplies, services and social contact reaches those that are most vulnerable. With this wave of new volunteers comes renewed energy, ideas and expertise that promises to stay around long after the crisis subsides.

Plunkett's vision is to maintain this momentum of attracting volunteers from all walks of life, ages and backgrounds to engage with their local community, or be inspired to start a new community business. Community businesses will review their business strategies and engage new volunteers to optimise the services they offer through the availability of new skills. Volunteering roles will be flexible and innovative to attract a diverse range of volunteers and ensure there is an openness to all to support their community and community business.

As well as bringing a wealth of wellbeing and social benefits, volunteering will also provide training and qualification opportunities that give additional value to those giving their time and skills to enhance their local communities.

How we will work to achieve this:

- Provide training and support to community businesses to recruit, train and retain volunteers through flexible and innovative roles; and break established cultural barriers to using volunteers.
- Encourage community businesses to recognise volunteers as a key part in their business strategies in order to achieve diversification and enhanced service provision.
- Collaborate with local, regional and national partners to enable community businesses to provide recognised accreditations and qualifications for volunteers to help them access new opportunities.

What support Plunkett needs from central and local government, policy and decision makers to achieve this Vision:

Securing support and investment in these five pillars will release the true potential of the rural community business sector and the role it can play in a meaningful rural renaissance. However, we need the investment and support of central and local government, funders, policy and decision makers in three key areas, illustrated below, to achieve this vision.

1. Invest directly into the community business sector:

- Back the community sector's ask for a £500 million neighbourhood recovery fund which would support new community businesses to start up as well as existing ones to develop, diversify and truly realise their potential
- Double the size of the community-ownership fund and bring forward its implementation to enable communities to build on the momentum and renewed energy for community-led change
- Call for the ring-fencing of a proportion of existing public funds committed for local economic development (e.g. the Shared Prosperity Fund, the Future High Street Fund, the Towns Fund, and funding for Local Enterprise Partnerships) to be spent on community business development
- Ring-fence resource in all the above commitments to ensure the needs of rural villages, market towns and coastal areas are met.
- Include within the above programmes mixed investment into awareness raising activity, capacity building, and blended finance (include grants, loan, equity and community match).
- Investing in programmes of support that enable skills building and opportunities to support individuals within the community business sector
- Make available quick to access loan funding for asset purchase that can be recycled to continue to help communities for the long term

2. Investment in infrastructure support to in turn support community-led change

- Support the extension of the lifespan of Power to Change, an organisation which has had transformative impact on growing and strengthening the community business sector.
- Create partnerships with existing community business infrastructure bodies to deliver renewal initiatives such as the community-ownership fund and the neighbourhood renewal fund.
- Encourage innovation in public, voluntary and private partnerships to work together to secure thriving and resilient rural communities.

3. Create meaningful opportunities to engage with us and listen to the experiences of communities:

- Engage in strategic partnerships with Plunkett and other infrastructure organisations to facilitate a two-way conversation.
- Include consultation with existing partnerships between government and the voluntary sector, enabling the flow of information to feed into government's national and local plans for the recovery phase and help to shape new and existing funding commitments.
- Call for the strengthening of existing localism policies, including a genuine 'community right to buy' giving community organisations a much better chance of buying assets when they come to market, and allowing them to force the sale of neglected and vacant buildings deemed to be of value to the community.
- Create and extend initiatives that generate and sustain jobs in the community business sector, such as the trade back initiative, job retention scheme, kick-starter etc.
- Create and extend commitments to support community businesses through the pandemic such as rate relief, Business Interruption Loan Scheme and expansion of SITR.
- Ensure government support and interventions are relevant and inclusive of the diverse needs of those living in rural and coastal communities.

The Plunkett Foundation

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