



Wales Centre for Public Policy
Canolfan Polisi Cyhoeddus Cymru

Reigniting Debate on Rural Poverty:

Evidence, Practice
and Policy
Implications

Ailddechrau'r Drafodaeth ynglŷn â Thlodi Gwledig:

Tystiolaeth, Ymarfer a
Goblygiadau Polisi

13 July 2018 / 13 Gorffennaf 2018

@WCfPP

#WCPPruralpoverty



Wales Centre for Public Policy
Canolfan Polisi Cyhoeddus Cymru

Professor Janet Dwyer

Countryside and Community Research Institute

@WCfPP

#WCPPruralpoverty

Rural Poverty in Wales- **Incidence and ideas for policy intervention**



***Janet Dwyer, Professor of Rural Policy
with Dr John Powell,
CCRI, University of Gloucestershire***

Poverty – definition and incidence

- **‘Poverty’ is based on inability to:**
 - Participate in mainstream society
 - Access services
 - Achieve reasonable living conditions
 - Secure sufficient income to fulfil basic needs
- **23% of people in rural Wales live in poverty (JRF, 2016)**
- **Rural communities face additional challenges:**
 - distance from key services
 - limited job opportunities and low(er) earnings
 - higher costs of living (referred to as the *‘rural premium’*)
 - inadequate public transport
 - social isolation
 - restricted housing stock

Welsh rural areas: economy & community

Key sectors include

- public sector
- tourism
- SME manufacturing and crafts
- Food businesses

16 years ago, in remote market towns
> 60% of registered businesses were
associated with farming (LUC, 2001)

IWA (2015) suggests a lack of medium-sized firms in rural areas, linked
to poor infrastructure & services

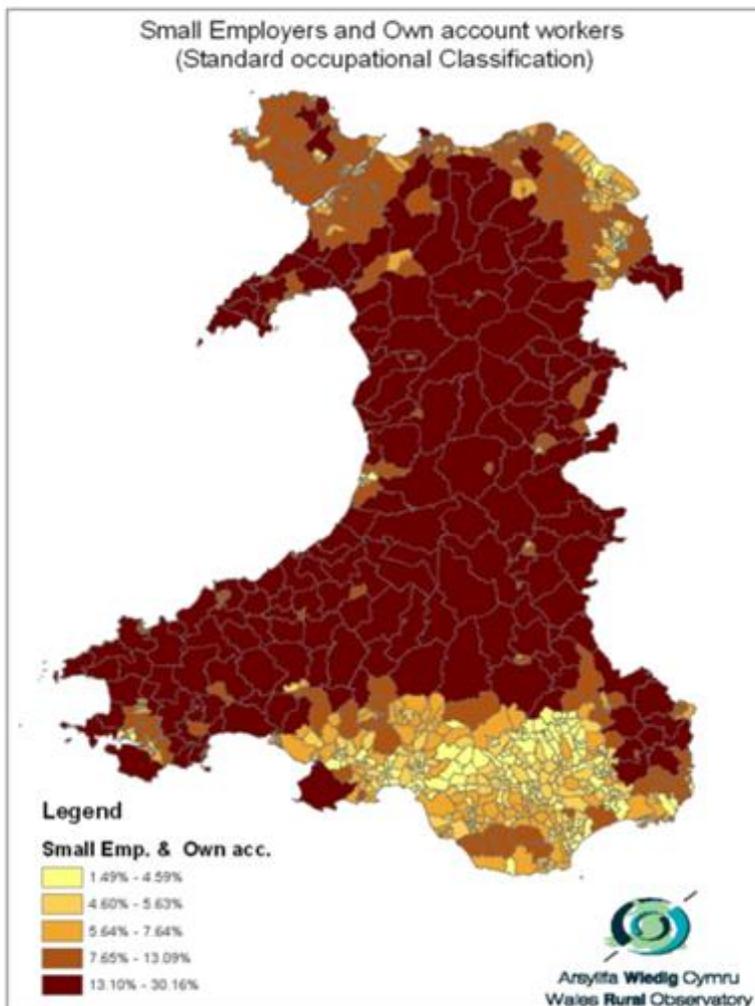
Unemployment is comparatively low

Rural poverty is a particular issue for remote and elderly households



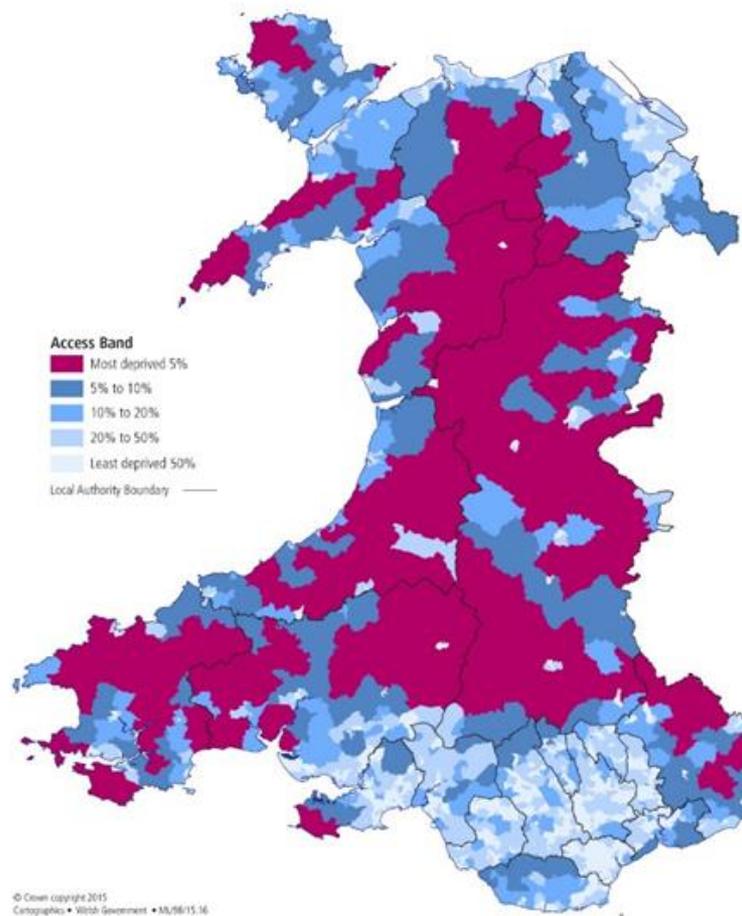
Rural variations

Economy and Employment



Source: Census 2001

Access to services deprivation for LSOA in Wales



Indicators of financial vulnerability

FCA (2018) found:

Average mortgage debts lower in Wales (£104,000 cf UK: £126,000)

33% of adults in Wales regularly use bank branches (UK average 40%), more users describe access to the branch as inconvenient (17% vs. UK average 13%) and more use internet and telephone banking.

A higher proportion of adults in Wales (16%) have personal loans, compared to all parts of the UK (12%), while proportionately more (9%) use catalogue credit (UK average 5%).

Adults in Wales owe on average £3,500 in unsecured debt, UK average £3,320.

UK rural areas in general tend to have more older people, retired and on lower incomes than average, with greater health problems.

Welsh Rural Areas and vulnerability

Most Welsh farms are heavily dependent upon public support

- Whilst hardly visible in statistics, agriculture has been a key driver of community viability in remote areas
- Grazing livestock farms are especially vulnerable to Brexit change
- Significant social, welfare and health concerns among farm families, particularly in Carmarthenshire, Powys and Gwynedd
- Tourism / leisure is important; helps >40% of farm households in Wales – depends on economic situation further afield (e.g. Birmingham, Liverpool, Manchester)

Heavy dependence of rural economies on public sector jobs

- Food and drink, and craft businesses also prominent: but most very small and dispersed

Increased gap between demand and supply, in rural services over time
(esp. health & social care)

Tackling Poverty – successful policy ideas from elsewhere

- **Transport**

Consider patterns of service delivery - reduce the need to travel

Provide vehicles direct to households

- **Fuel poverty**

Long-term action, prioritise resources for most severe cases

- **Access to services**

Improve digital technology and infrastructure

Support / encourage home delivery

Knowledge and confidence are essential – build capacity to act

- **Housing**

Support community-based schemes, smaller builds

- **Rural economy**

‘Building wealth’ requires support to individuals; small-scale loan schemes bring multiple benefits at low-cost, whereas area-wide programmes may be expensive & limited in effect

Rural economic development requires:

- integrated strategic thinking,
- flexible programmes built on local resources,
- development of human and social capital

Future: contrasts across Wales



3 priorities: build prosperity; target specific needs; strategic planning

- North, mid and west Wales - stronger negative economic and social impacts from future change; South and east, more diverse impacts
- Growing social needs in more isolated settings; potential social conflict from increasing disparities in more pressured locations
- Successful adaptation requires novel ideas, new networks – some areas better placed than others: skills, partnerships, access to finance and confidence to change are key
- Are any of these issues feeding into thinking on UKSPF, or alternatives to Barnett formula?



**Wales Centre
for Public Policy**
**Canolfan Polisi
Cyhoeddus Cymru**

 @WCfPP

www.wcpp.org.uk

Cardiff University, 10/12 Museum Place. Cardiff, CF103BG
Prifysgol Caerdydd, 10/12 Plas yr Amgueddfa, Caerdydd, CF103BG