



# RURAL PERTH AND KINROSS

## LEADER

### LOCAL DEVELOPMENT STRATEGY

#### (2014-2020)

#### Final



September 2014

## Contents

1. Executive Summary.....	3
2. Introduction .....	4
3. The Area .....	5
4. Social-economic profile.....	7
Demography and migration.....	7
Access to services, transport and broadband.....	8
Deprivation, disadvantage and income .....	10
Housing .....	11
Land and the Environment.....	12
Agriculture and Food and Drink.....	12
Forestry .....	14
Renewable Energy .....	14
Tourism, Access and Recreation .....	14
Integrated land use and sectors .....	15
Differential development over space and social capital .....	16
5. Partnership and Engagement.....	17
Partnership – Local Action Group .....	17
Engagement .....	17
Lessons from Rural Tayside LEADER .....	21
6. SWOT Analysis.....	22
7. Strategy .....	24
Equality Impact Assessment .....	25
Young People .....	25
Cooperation .....	25
Coordination with other local/regional/national strategies .....	26
Coherence with Common Strategic Framework and EU 2020.....	28
8. Proposed Actions.....	29
Appendix 1 Datazones Information .....	34
Appendix 2 Rural Perth & Kinross LEADER Area Profile.....	39
Appendix 3 Local Action Group.....	40
Appendix 4 Engagement Activities.....	42

## 1. Executive Summary

1.1 Rural Perth & Kinross LEADER area covers 5,300 km<sup>2</sup> and is favourably located with respect to commuting. It has an attractive and diverse rural landscape which produces attractive living and recreational space.

1.2 The population of the LEADER area is 94,000 with a population density of 17.75 hab/km<sup>2</sup>. It is overall increasing although some rural areas have experienced modest declines.

1.3 The analysis of the development needs and opportunities of the area has been carried out through a SWOT analysis highlighting strengths, weaknesses, opportunities and threats. This analysis has been based on research and engagement with people working and living in rural Perth & Kinross.

1.4 The Rural Perth & Kinross LEADER Local Action Group (LAG) has led the development of the Local Development Strategy (LDS) and will lead its delivery.

1.5 The challenge for rural Perth & Kinross is to focus on its strengths of a relatively affluent rural area as well as reducing the existing divide between individuals, organisations and communities and the Rural Perth & Kinross LEADER LDS should support our rural communities to rise to that challenge.

1.6 The overarching aim of the strategy:-

**To support individuals, organisations and communities in rural Perth & Kinross to be stronger, more confident and inclusive to lead or contribute to local economic and community development**

1.7 To deliver the strategy, the LAG will focus on two key strategic objectives:

- Promoting a prosperous, inclusive and sustainable economy
- Creating a safe and sustainable place for future generations

1.8 Within this approach, the strategy will have a specific attention to young people as a target group

1.9 The LAG has agreed to support key priority projects to deliver key elements of the strategy:

- Youth Initiative
- Capacity Building
- Community Broadband
- Support to SMEs

A Challenge Open Fund will also support other projects alongside the priority projects.

1.10 The Rural Perth & Kinross LEADER LDS links directly to Perth & Kinross Community Plan (2013-2020) and Single Outcome Agreement through its common strategic objectives and outcomes.

1.11 A Business Plan sets out the mechanisms and procedures through which the LAG will deliver its LDS.

## 2. Introduction

- 2.1 This document is the Local Development Strategy (LDS) for the Rural Perth & Kinross LEADER Programme 2014-2020. The proposed strategy builds on earlier LEADER programmes and an intensive engagement with people living and working in the area.
- 2.2 The strategy sets out the Local Action Group (LAG) approach to carrying forward the LEADER programme at the local level through investment in community-led initiatives.
- 2.3 The Local Development Strategy has been developed following a specific process:
- The LEADER area to be covered by the strategy is defined (Section 2).
  - An analysis of the area, based on research and engagement highlights a range of issues and barriers that affect the rural communities in Perth & Kinross. This include demography and migration, access to services, transport and broadband, deprivation, disadvantage and income, housing, land and the environment, economic structure and employment (Section 3).
  - The partnership and engagement approach on which the strategy has been developed is explained as well as lessons learned from previous programme (Section 4)
  - A SWOT analysis has been produced to directly inform the development of the strategy (Section 5).
  - The strategy is developed based on research and engagement (Section 6) and actions proposed (Section 7).
- 2.4 A draft Business Plan has also been developed and sets out the mechanisms and procedures through which the LAG will deliver its LDS. It sets out which funds will be used to deliver the themes outlined in the LDS and linkages with other funds and partners. The Business Plan is attached as a separate document.
- 2.5 The draft LDS was explored in depth with the Shadow LAG and was signed off by the Shadow LAG on 27 March 2014. Following feedback from the Scottish Government, the draft LDS and Business Plan were reviewed and signed off by the Shadow LAG on 11 September 2014.

### 3. The Area

3.1 The Rural Perth & Kinross LEADER area comprises all Perth & Kinross Council's area with the exception of Perth and Scone settlements and the area of Perth & Kinross included in the Cairngorms National Park.



3.2 Key facts to note are that

- Rural Perth & Kinross LEADER area covers 5,300 km<sup>2</sup> and is favourably located with respect to commuting. It has an attractive and diverse rural landscape which produces attractive living and recreational space.
- The population of the LEADER area is 94,000 with a population density of 17.75 hab/km<sup>2</sup>. It is overall increasing although some rural areas have experienced modest declines.
- The area can be subdivided into four sub-areas which in many ways represent natural sub-regions based on distinctive biophysical and socio-economic conditions.
  - Kinross-shire makes up the south-eastern part of Perth and Kinross and has a population of around 18,000. It is characterised by its proximity to Perth and accessibility to Edinburgh. The main settlement in the area is Kinross.
  - Strathearn is located in the south-western part of Perth and Kinross and has a population of around 21,000. It has two major towns: Crieff and Auchterarder and is a popular tourist and retirement destination;
  - Highland Perthshire is located in the north-west of Perth and Kinross and has a more scattered and less dense population of around 20,000, hill and upland farming and high landscape values. Its picturesque landscape, wildlife and range of outdoor activities make it one of the most popular destinations in Scotland. It includes the key settlements of Pitlochry, Aberfeldy and Dunkeld/Birnam.
  - Eastern Perthshire is a largely agricultural area with a population of around 35,000 and includes the market centre of Blairgowrie/Rattray and small towns of Coupar Angus and Alyth and on the lower lands linking to the Carse of Gowrie, has some of the best quality land in Scotland which is used intensively for horticulture and other arable crops.



- Rural Perth & Kinross economy is relatively robust and the attractiveness of the region means it has become a residential choice for some commuters to Edinburgh and Dundee.
- The area has a strong identity as a place for tourism, but it is a mixture of high quality tourism and lower value tourism. Quality improvements that connect to the natural resource base and local suppliers would add value to the tourism sector and strengthen linkages with other sectors. The significant number of good hill and mountain walking opportunities are an important attractant.
- The areas of greatest disadvantage are some of the small towns and possibly some sub-areas within these towns, where socio-economic performance is poor against a range of criteria with deep-seated pockets of disadvantage and poverty.
- The environment is a major attractant in rural Perth and Kinross. There are some very high level designations and important nature reserves.
- Perth and Kinross' farm sector is diverse and some elements of it are leading-edge, especially the soft fruit sector, but it has also shown capacity for diversification into for example direct sales and farm tourism. Although the farm sector has experienced some reduction in stock and workforce, especially in the Highland Perthshire area, the farm sector is essentially robust and the overall farm workforce growing.
- The forest sector is diverse and also contributes significantly to green infrastructure. Although rural Perth & Kinross has no major wood processing facility in terms of large sawmills, it has developed its wood energy sector rapidly and there are some strong SMEs in the region providing wood energy.
- Across the piece, there are some very good examples of successful dynamic adaptive communities and businesses.

Appendix 1 provides a detailed map of the eligible datazones in the LEADER area as well as a list and a map of the datazones for Perth and Scone settlements for reference.



## 4. Socio-economic profile

- 4.1 The complete socio-economic profile for the Rural Perth & Kinross LEADER is attached as Appendix 2. The following is a brief description of the main issues affecting the areas.

### **Demography and migration**

- 4.2 The overall population trend is one of considerable increase (significantly above the Scottish average over the period) but the trends show very considerable geographical variability. The overall trend is one of a marked increase in almost all datazones, especially in peri-urban areas close to the major urban settlements, especially Perth. The few peri-urban exceptions to this are most likely to be a product of a reduction in household size. The remotest datazone in Perth and Kinross in the north west of the council area shows a decline, which is typical for remote parts of Scotland.
- 4.3 The percentage of children in the population is highly variable with most of remoter rural Perth & Kinross and the Blairgowrie area significantly below the Scottish average and some peri-urban areas around Perth, Kinross and Crieff above the Scottish average. Overall, the percentage is very close to the Scottish average. While Perth and Kinross rural shows a decline greater than the average situation for Scotland, some datazones show a growth in the proportion of children which might be seen as sign of demographic health in those communities. The healthy communities are primarily peri-urban villages around the major urban centres with an outlier in Aberfeldy and one Pitlochry datazone.
- 4.4 Rural Perth & Kinross has a more elderly population than that for Scotland as a whole, with certain datazones in the Pitlochry area, Comrie and Birnam/Dunkeld characterised by very high proportions of elderly people. This broadly provides the (expected) mirror opposite of the areas where the proportion children is high. Of note is that there is one datazone (in Blairgowrie West) where almost half of the population is retired. The lowest proportion of population of retirement age in the study area is in the commuter villages around Perth, just south of Kinross and in the immediate hinterland of Crieff. Rural Perth & Kinross has a population that is ageing faster than the Scottish population as a whole; the proportion of the population of pensionable age is four percentage points higher than Scotland as a whole. The extent to which the high proportions area result of in-migration of households or to concentrations of care homes is not immediately discernible but it appears likely that at least some of the increase is a function of care home expansion in certain places. Many datazones show a change in the proportion of people of pensionable age much greater than the Scottish average over the last decade (2001-2011) with the higher figures being both in peri-urban areas and in deeper rural parts of the study areas.
- 4.5 The rural Perth and Kinross population of working age average is below the Scottish average by around 2.5 %. There is a greater proportion of working age in Highland Perthshire than might be expected, with the significant exception of Pitlochry and its hinterland (where there is evidence of a high proportion of elderly households). Other areas with a low proportion of working age are the Comrie/St Fillans area and some datazones south of Kinross. The change in the proportion of the population of working age in Rural Perth and Kinross and Scotland are identical with 0.6 % growth.

- 4.6 Rural Perth and Kinross has a higher dependency ratio than Scotland as whole. However there are significant variations over space with some rural areas having relatively low rates of dependents per capita, particularly some of the remoter Highland Perthshire datazones and some of those in the immediate hinterland of Perth. In rural Perth and Kinross, the highest dependency ratio is found in two large village/small town settings in Comrie and Blairgowrie-Ratray where over 40% of the population is above retirement age. It would appear that in the two worst performing datazones the poor performance is more a function of elderly people than children.
- 4.7 Rural Perth and Kinross has an ageing population. It is ageing faster than the Scottish average, which indicates either elderly person in-migration or young person outmigration. An ageing population can be a negative force in that it places increased demands on social services or it can be a positive force when retired people with high levels of social and human capital and with reasonable amounts of wealth become important actors in local development and use skills acquired during their working lives to support community-based projects. Where the proportion of retired people is around 40% of the total this merits attention, because of the potential demands it places on voluntary or public support systems.
- 4.8 Clearly different parts of rural Perth and Kinross experience very different types of in-migration, from migration for retirement, to migration into the region for reasonably priced homes (especially in Kinross for access to Edinburgh) to seasonal migration for work in hospitality, catering, food or farming industries. We do not have detailed evidence at SNS level of in-migration, but rural Perth and Kinross has a rapidly growing population which, given the relatively high average age, indicates that it must be arising from in-migration rather than natural change.
- 4.9 Given the high quality of the natural environment, the clear desire of people to move into rural Perth & Kinross and the fact that a significant number of these are elderly, there seems to be a strong case for exploring the scope to create customised housing developments which meet the needs of elderly people.
- 4.10 The Eastern Perthshire area makes use of a very significant seasonal agricultural labour force, many of whom come from Eastern Europe. The labour-intensive nature of most fruit picking places demands on accommodation.

#### **Access to services, transport and broadband**

- 4.11 With few exceptions, most rural datazones show a drive time to a post office in excess of the Scottish average, which would be expected for a large rural area. The figure is expectedly low in settlements such as Crieff, Aberfeldy and Pitlochry. The low population density parts of Highland Perthshire and the northern part of Strathearn are all, as might be anticipated, associated with longer travel times. The deterioration in accessibility appears to be worse in northern Kinross and in the Eastern Perthshire area. The time taken to access a post office by public transport is almost 50% greater than the Scottish average. Given that the drive time differential was less this could be indicative of a relatively weak public transport system. One datazone (in the Rannoch and Aberfeldy cluster) has a travel time by public transport to a post office of over 80 minutes. Paradoxically, the improvements in travel time by public transport



are mostly in the remoter area and the worsening of travel times is almost all in the peri-urban/commuter zone villages around Perth. Here the deterioration in accessibility by public transport is twice the Scottish average, this suggesting a relative decline in the quality of rural Perth and Kinross' public transport system. The change in time to access a post office by public transport between 2006-2012 indicates that the worst performing datazone in absolute time appears to have shown a substantial improvement. It is highly probable that declines in travel times in other communities reflect enhanced public transport. Where the situation has worsened, it is almost certainly a function of post office closures, although it is also possible in some cases that public transport frequency has also declined.

- 4.12 The drive time to shopping facilities is about 40% greater than the Scottish average, but this might be predicted given the substantial area of lightly populated Highland Perthshire. However, the drive to shopping facilities is also rather long for many residents in the more densely populated parts of lowland Perthshire and may be a function of small settlement sizes without a critical mass of retail facilities. The change in the time required to drive to shopping facilities does show a distinct pattern in which the more remote areas have experienced increased drive times. However, there are also some significant and not readily explicable changes in Strathearn with a worsening in some parts and an improvement in others. Public transport times to shopping facilities and could be seen as a proxy for access to shopping challenges to households without private mobility. The mean for rural Perth and Kinross is about 50% worse than for Scotland as a whole. It shows a broadly predictable distribution with Highland Perthshire (except the Pitlochry area) having rather long travel times and further clusters of rather long travel times in the eastern Perthshire uplands, the Firth of Tay villages in Eastern Perthshire and a significant number of datazones in Kinross. The changes between 2006 and 2012 in public transport times to access shopping facilities shows that rural Perth and Kinross dramatically underperformed against Scotland as a whole, the former experienced an increase in public transport time, whereas Scotland experienced a significant reduction.
- 4.13 Rural Perth and Kinross includes some relatively densely populated rural areas and some very lightly populated areas. For those living in the remotest communities, access to services can be a challenge, especially for those without access to private cars. Levels of car ownership are generally rather high, even for poorer rural households, which mitigates the problem but fuel costs in rural areas tend to be rather higher than in larger urban centres.
- 4.14 Access to services is most challenging where the public transport network is thin and timetables such that travel to and from market centres is difficult. Where there are small settlements at a distance from major bus routes along the A9 or A90, access to public transport may be particularly challenging for the mobility impaired.
- 4.15 Rural Perth & Kinross experiences poor broadband access particularly in some of the most remote rural communities, but also in key settlements and villages depending on the available infrastructure. This in turn increases the difficulty to access or develop e-services creating a digital divide. A significant investment in broadband infrastructure is current underway made and should improve broadband access by 2017. However, some communities may not fully benefit from that investment and may still experience difficulties.

## Deprivation, disadvantage and income

- 4.16 This section explores a number of dimensions of disadvantage and includes consideration of the summary indicator of Scottish Index of Multiple Deprivation ranking 6505 Scottish datazones (1 being the most disadvantaged).
- 4.17 Rural Perth and Kinross has an average Scottish index of Multiple Deprivation rank much lower than that of Scotland as a whole. However, it is recognised that there are serious weaknesses about measures of average disadvantage across datazones where there socio-economic wellbeing differs greatly between individuals. Where say 20% of the population is experiencing considerable poverty and disadvantage this will be masked out by more affluent members of the same datazone. Only in town and city datazones where the socio-economic profile is more homogeneous will low SIMD scores 'kick in'. The only two datazones in the worst performing 1000 in Scotland are in Blairgowrie/Ratray. Whereas one of these has improved since 2004, the other datazone has dropped into the bottom one thousand.
- 4.18 In relation to education skills and training deprivation, rural Perth and Kinross sits in the middle range of rankings with datazones immediately to the south of Perth and in Kinross showing the largest number in the top quintile. Eastern Perthshire has perhaps the greatest proportion of low ranked datazones in terms of educational and training deprivation. Three datazones in Eastern Perthshire, two of which are in Blairgowrie/Ratray are very low-ranked at 352, 373 and 867 respectively.
- 4.19 In relation to the proportion of people from the resident working age population who are unemployed or who are not in the labour market due to ill health or disability constitute an indicator of disadvantage, nowhere in rural Perth and Kinross scores particularly poorly, but some of the worst performing datazones are peri-urban in and around the market towns of Crieff and Blairgowrie/Ratray. Only two Perth and Kinross rural datazones are in the lowest 1000 in Scotland and both are in Blairgowrie/Ratray. However, there is no consistent and readily explicable pattern of employment deprivation, although it is noteworthy that no datazone in the Kinross sub-area falls below the 40<sup>th</sup> percentile rank.
- 4.20 On average, rural Perth and Kinross suffers less health deprivation than the rest of Scotland. The lowest two (worst performing) datazones in terms of health deprivation are both in small towns, in Crieff and Blairgowrie/Ratray respectively, but none is in the worst performing quintile in Scotland.
- 4.21 In terms of current income deprivation rural Perth and Kinross performs rather well compared to the rest of Scotland. Only one datazone (in Blairgowrie/Ratray) is in the lowest 1000. Over rural Perth and Kinross as a whole, most smaller rural settlement datazones have low levels of income deprivation.
- 4.22 Income data were available only for one point in time in SNS data and were not followed up. However, a detailed investigation of income variability has recently been undertaken by Bramley and Watkins (2013) which set out to 'provide a robust and transparent set of estimates of household incomes and poverty for local and small areas of Scotland.' Bramley and Watkins data suggest that Perth and Kinross Council as a whole ranks 5th highest in 'equivalised' household income before housing costs. This suggests that there is no generic low income issue in the council area. However, the relatively low wage economy and high

cost of housing in rural Perth and Kinross would have an impact particularly on the poorer households in the area with a higher proportion of poor people not on benefits.

- 4.23 Rural Perth and Kinross is relatively prosperous compared to many parts of rural Scotland, but one of the consequences of a generally rather high level of income is that disadvantaged groups may find that they are even more disadvantaged. High levels of car ownership reduce the availability and affordability of public transport; high demand for housing for commuting, retirement or second home reduces availability to poorer households and bids up the price.
- 4.24 Rural poverty is characterised by its diffuse nature (hence its non-appearance on SIMD which picks up concentrations of disadvantage) and the tendency for it to be compounded by local economies that are geared to a generally high level of affluence.

### **Housing**

- 4.25 The lowest quartile price for homes in rural Perth and Kinross is about 20% higher than the Scottish figure which suggests that low paid or poor people will find it rather difficult to enter the housing market. However, there is considerable spatial variation around the mean Perth and Kinross figure with lower house prices found in and around Pitlochry and Aberfeldy, in Blairgowrie/Ratray, in and around Crieff and in parts of Earnside and Kinross. Over rural Perth and Kinross as a whole, house prices have risen faster than the Scottish average, but in a decade of low house price rises between 2001 and 2011, house prices rose significantly in many datazones, especially in the Highland Perthshire area. Higher than average rises also occurred in lowland Eastern Perthshire and in the Earnside datazones nearest to Perth. Pitlochry and Crieff bucked the general Perth and Kinross trend with house price declines in the lowest quartile.
- 4.26 The density of dwellings and also the density of population is much less than in Scotland as a whole. The highest density in rural Perth and Kinross is in the towns and the density in more rural datazones is predictably significantly greater in the lowland parts of the area. With only two truly rural exceptions, the density of dwellings increased in the more densely populated predominantly low-ground zone below the highland fault line and either stayed static or declined in the highland and upland zone to the north of the line. Rural Perth and Kinross Council tax has a figure much lower than the Scottish average giving an indication of housing stock. It shows that there is a concentration of band A-C homes in Strathearn, but with exceptions in the Comrie and Almondbank areas and generally high rates of low-banded homes in Highland Perthshire. Eastern Perthshire has a high proportion of low banded homes and the greatest concentration of higher banding is in Kinross.
- 4.27 Rural Perth and Kinross is typical of many rural areas. It contains some areas where the proportion of the housing stock which is old is rather high and areas in peri-urban and commuter villages where there is a much greater proportion of new stock.
- 4.28 Generally, private and publicly owned housing is better insulated than private rented housing. Fuel poverty levels are likely to be highest where there are high levels of private rented housing. A strategy is in place to address fuel poverty but, arguably, the steeply rising fuel prices of recent years will have increased the number of households in fuel poverty rather than reduced it as is the explicit intention of the Perth and Kinross Fuel Poverty Statement of 2011.

### **Land and the environment**

- 4.29 Rural Perth and Kinross is characterised by considerable variations in land use which are a function of its geology and relief. The area is bisected by the Highland Fault Line, the major geological boundary between the Grampian Mountains to the north and west and the fertile lowlands of eastern Scotland to the south and east. The fertility of the lowland areas is compromised by the presence of a number of ridges of igneous rocks north and south of the Tay estuary. Some of the land to the south of the Highland fault line is amongst the highest quality of agricultural use in Scotland, whereas substantial areas to the north and west of the council area are montane and upland. These underlying conditions create highly heterogeneous conditions for rural land use.
- 4.30 The land area of rural Perth and Kinross has many high level designations for protection of amenity, habitats and biodiversity. In terms of highest level designations for amenity: national parks, parts of rural Perth and Kinross are in two national parks, but are distinctly at the margins of the park. Indeed, in the case of the Cairngorms National Park, the area was added in relatively recently. A small area of the Loch Lomond and Trossachs National Park sits at the south western corner of Perth and Kinross. In the middle reaches of the major Tay tributaries a substantial area of Forestry Commission land has been designated as the Tay Forest Park. In general, the area is promoted for its high quality forests, which have significant heritage value in the Dunkeld-Atholl area and high amenity value in many parts of the study area.
- 4.31 There are two major National Nature Reserves in the council area on the Ben Lawers ridge to the North side of Loch Tay and Loch Leven and part of its adjacent shoreline. There are a large number of Special Protection Areas for Birds (SPAs) and Natura 2000 sites, all of which are also designated Sites of Special Scientific interest. Most of the designations for nature conservation are mountain and upland (certainly in areal extent) and cover large areas of important montane bird habitat in the east of the Highland Perth and Kinross and some of the highest quality montane pastures in the UK, including the alpine arctic flora of the Lawers range. There are two important aquatic reserves: Loch Leven and the Tay estuary and almost all the river Tay and its tributaries are an SAC primarily on account of Atlantic salmon, although other highly valued biodiversity (lamprey and otter) are also cited. These environmental qualities are likely to be a considerable attractant to those recreationalists and tourists interested in the natural environment. In some cases, there are visitor centres associated with these designated sites. The Tay catchment has inadvertently become an area with the largest UK population of European beaver. As a result of unplanned and unofficial releases there is now a population of nearly 150 beavers in the Tay catchment.

### **Agriculture and Food and Drink**

- 4.32 The cropping area has always been concentrated in the lowland south and east of the region where natural conditions favour arable agriculture. However, many upland farms have grown small areas of arable land for spring barley production for home use or winter feed (such as turnips) for stock. Overall the cropped area has declined by 10% in a decade. The decline is concentrated in upland areas where a small amount of arable land was almost certainly good for wintering birds, such as finches. The decline in the upland parishes has been precipitous in many cases, with large areas having a reduction in excess of 40% over a decade.

- 4.33 The area under soft fruit, which was and remains concentrated in Eastern Perthshire has also declined overall, but it seems highly probable that the area of crops produced under cover has increased. Soft fruit production in polytunnels has become a technically sophisticated enterprise with the capacity to significantly lengthen the season of production and create a strong demand for seasonal labour. The decline in hectareage on the traditional core growing area has been partly offset by a significant growth in a small number of parishes. The region has strong infrastructural and research and advisory support for soft fruit production and a skilled population of specialist growers. It should be able to maintain competitive advantage.
- 4.34 Cattle numbers are concentrated between the higher quality lowlands and the poorer mountain areas. Cattle numbers have declined by 13% over a decade, but the pattern of change is one of general decline but with some parishes with significant increases in cattle numbers. The areas of highest change are almost all from a low base, suggesting no major spatial reorientation of the sector.
- 4.35 Sheep numbers are concentrated in the hill and upland parishes in Perth and Kinross. The overall pattern is one of decline, with numbers falling by over 20% in the course of a decade. However, in some of the more upland parishes around Perth, there was a substantial increase in sheep numbers. The so-called 'retreat from the hills' is evident in Perth and Kinross, but the pattern of change reveals significant losses in some lowground parishes as well.
- 4.36 These changes in stocking are an entirely predictable response to changes in pillar 1 of the CAP which has seen the introduction of a largely decoupled support scheme, which means that income is to a much greater degree independent of levels of production. In areas where margins are tightest, it is an entirely sensible response to policy change to reduce stock numbers and ideally concentrate on quality. Whether destocking or reduced stocking has any significant environmental consequences depends on the particular biodiversity features of interest.
- 4.37 The intensity of agricultural employment varies significantly over rural Perth and Kinross. There is a surprisingly low intensity of farming workforce in some of the parishes adjacent to Perth. In terms of overall farm employment, including the labour of farmers and wives, there has been a marked redistribution of the farm workforce out of the hills and into Eastern Perthshire. This almost certainly reflects changes in the horticulture sector, but also a significant decline in the total farm workforce in the livestock sector in areas where other work opportunities may be more modest. Overall though, there has been an increase in the farm workforce.
- 4.38 Food and Drink is of significant importance to the rural Perth & Kinross economy. Perth & Kinross Council has been actively promoting the development of local food supply chains. It is inevitable that much of the intensive field vegetable and soft fruit production which is strongly concentrated in Eastern Perthshire will be geared to a large degree to national supply chains. However, there is still scope to have a vibrant local food sector. Rural Perth & Kinross have several farmers' and country markets and a significant number of suppliers of speciality foods. Not every community has the critical mass to develop farmers markets, but there is also scope for direct sales and farm shops, with rural Perth & Kinross having some excellent exemplars of good practice in direct retailing of food and drink.

## **Forestry**

- 4.39 Perth and Kinross has a long tradition of private and public afforestation. Its woodland cover sits on the Scottish average at 17% of the land area. The woodland estate is dominated by commercial conifers but there are also a large area of broadleaved woodlands, predominantly birch but including significant areas of oak, often intermixed with other species. Tree cover is densest in the middle quality lands of Perthshire, with the high moorlands and mountain tops above the tree line and the high quality farmland having a modest forest cover. There are extensive plantings of commercial timber on the upland estates and many policy woodlands around larger houses. Trees can be seen as an important part of the cultural heritage of the area and have been recognised as such in tourism promotional material. The area has a significant national forest estate producing high quality softwoods primarily from Sitka spruce but with a range of other species also represented in the assortment, including larch, Norway spruce and Scots pine.
- 4.40 There are a number of small sawmills in the area and these produce a range of wood products from sleepers to pallets to garden furniture. On balance, it seems likely that there is a net export of unprocessed wood raw material from the area although this is not directly measured in this report as Perth and Kinross missed out as sawmill capacity concentrated from the late 1990s onwards, with no major processing plant being developed in the area.
- 4.41 Fourteen suppliers of woodfuel in various forms are listed in rural Perth and Kinross on one of the trade websites. With the recent introduction of the Renewable Heat Incentive, the scope for further development of wood supply chains seems a good prospect, especially where large houses are currently heated by oil and there are abundant home grown timber resources available. Some community groups in Perth and Kinross have actively pursued woodfuel initiatives. Rural Perth and Kinross has been very active in wood energy developments and there are some excellent examples of good practice.

## **Renewable Energy**

- 4.42 There is a long history of small scale hydro-power on estates and there are some larger hydro-electric schemes on the Tummel which generate just under 250MW of power and other schemes in other parts of the council area such as Breadalbane which add another 120MW of output. There have been a number of newly developed sites in the area.
- 4.43 The higher parts of rural Perth and Kinross have good wind speed and there is significant technical potential for wind energy. Wind farm developments have proved particularly contentious, but the nearby Fintry development in Stirling with a community share has attracted considerable interest as a model for future developments.
- 4.44 The significant forest estate in the region and its proximity to some of the more significant settlements creates an opportunity for wood energy businesses. The Council has provided some pump priming of wood supply chains by putting wood heating schemes into secondary schools such as at Pitlochry High School. This sector is developing strongly.
- 4.45 Anaerobic digestion has developed rather slowly in the UK and there is one significant example in Perth and Kinross at Binn Farm near Glenfarg.

- 4.46 Rural Perth and Kinross has high potential for a range of renewable energies with a range from very large-scale installations to micro-scale installations. Most of the large-scale energy infrastructure is Scotland externally owned (although this is not technically the case in Perth and Kinross where Scottish and Southern Energy is based and owns all the large scale hydro-electric capacity).
- 4.47 From a rural development perspective, local private, so-operative or community (trust) ownership is considered to be a valuable means of generating local income (especially for local development trusts) and can provide a diversified income source for farms and estates. However, renewable energy developments can also be socially divisive and generate strong opposition from some groups. This applies especially to wind but is also applicable to some hydro-electric developments, especially where impeded migration of salmon is seen as problematic by fishing interests.

#### **Tourism, Access and Recreation**

- 4.48 Rural Perth & Kinross has an important tourism spend and employment and it has some very exclusive hotels such as Gleneagles, but has many more of a more modest standard. There are a large number of tourism facilities giving the visitor a wide range of choice as to attractions to visit.
- 4.49 Rural Perth & Kinross has many high quality opportunities for outdoor recreation. The accessibility of the area to the major population concentration of central Scotland is likely to increase the demand. The major types of opportunity include water and waterside recreation; hill walking -there are nearly 30 Munros including some of the most iconic mountains in Scotland such as Schiehallion and Ben Lawers; forest recreation- the area is marketed as 'Big Tree Country'; and wildlife watching which includes sites such as the Scottish Wildlife Trust's Loch of the Lowes visitor centre. There are numerous cycling trails listed on websites but perhaps surprisingly no major mountain bike trails development in the area. The Enchanted Forest project has operated for ten years and has transitioned from publicly run event to a Community Interest Company. It runs for approximately three weeks each autumn and in 2013 it attracted 40,000 visitors.
- 4.50 Rural Perth & Kinross has a substantial area of land used for sport shooting and one of the three major salmon rivers in Scotland. Much of the land based shooting is on mixed use land where there is an agricultural component, but some land will be predominantly shooting land. There has been an increasing trend towards let shooting and therefore the commercialisation of sport shooting. According to local expertise in the area, there are 'reasonably effective local supply chains' connecting to local demand. There is one significant processor of game products based in Pitlochry which sells direct and through country/farmers markets both within Perth and Kinross and further afield.

#### **Integrated land use and sectors**

- 4.51 Rural Perth & Kinross economy is dominated by small businesses business which account for the vast majority of the workforce. Businesses and business growth cut across the different key sectors and interlink with multiple land use. The Scottish Land Use Strategy appeals inter alia for enhancing the opportunities for synergy between different land uses, and seeking to enhance the blend of 'ecosystem services' including public goods like biodiversity, landscape and flood management as well as ensuring that the provisioning services of food timber and energy are delivered. These synergies can span two productive uses such as between forestry and



agriculture, through shelter belts, or forestry or farming and hydropower. There are a number of practitioners of agro-forestry in the area who would argue that there are distinct benefits to woodland grazing systems. There are strong arguments for considering whether floodplain and headwater planting can reduce flood risk in flood-prone settlements, as has been implemented in pilot schemes in some parts of Scotland. Conflicts can arise for a variety of reasons, including disagreements about certain land uses such as renewable energy, game disturbance by walkers, and threats to biodiversity on more intensive sport shooting estates. Various strategies can be put in place to minimise conflict and enhance opportunities for synergy.

- 4.52 Local food and wood energy chains can help retain value in the community, connect to the significant tourism industry thereby helping to green the tourism product, and help create an identity for rural Perth & Kinross which is consistent with Scottish food industry strategy and builds on the considerable range of food products produced in the region.

#### **Differential development over space and social capital**

- 4.53 Social and economic development is rarely uniform over space and such variations in socio-economic wellbeing operate at different scales, from households, to neighbourhoods, to districts, to regions. Rural Perth and Kinross is relatively prosperous compared to some parts of rural Scotland. The most deeply rural areas have seen modest demographic decline, with low profitability and falling numbers of stock on hill and upland farms and sheer remoteness likely causal influences on that decline, and their economic performance is relatively poor, but relative disadvantage of rural socio-economic conditions is most clearly evidenced in the Blairgowrie/Rattray area, where performance is poor on a range of indices, certainly against a rural Perth and Kinross benchmark and even against a Scottish benchmark. Some datazones in the Crieff area also exhibit relatively poor performance.
- 4.54 Some of the differences are likely to be structurally determined- that is they are a product of structural forces in the economy - such as the closure of major industries where such industries have been a major part of local economies. Such forces often trigger a wider cycle of socio-economic decline. However, behind these negative socio-economic forces are a number of positive socio-economic trends such as the desire of affluent people to live or spend leisure time in rural areas. This brings an injection of wealth and especially where associated with permanent in-migration can be seen to have a beneficial local multiplier. Such an ingress of wealth can have a downside on poorly paid rural households, because of issues such as declining public transport and relatively high house prices (or rentals), but the alternative of depopulation and rural decline may be even more negative.
- 4.55 A further factor in rural wellbeing may well be the strength of social capital and the capacity for bottom-up community activity. There is very good evidence of community activity in a many rural Perth & Kinross communities including people volunteering with Perth & Kinross volunteer centre acting as base for the volunteering activities. There are many local development trusts and partnerships which are highly active and have demonstrated their capacity to develop projects and make an impact. However, as for differential development over space, there is also a differential development over social capital which would influence rural communities' capacity to develop sustainable projects and create vibrant futures.

## 5. Partnership and Engagement

- 5.1 This section aims to present the Partnership that constitutes the Rural Perth & Kinross LEADER Local Action Group, the engagement approach and the lessons learned from the Rural Tayside LEADER Programme.

### **Partnership – Local Action Group**

- 5.2 The Rural Perth & Kinross LEADER Local Action Group comprises representation from the following public, private and voluntary organisations:

#### *Private and voluntary organisations:*

- Perth & Kinross Tourism Partnership
- National Farmers Union Scotland
- Scottish Lands and Estates
- Highland Perthshire Communities Partnership
- Kinross-shire Partnership
- Crieff and Upper Strathearn Partnership
- Coupar Angus Regeneration Trust
- Perthshire Chamber of Commerce
- Federation of Small Businesses
- Voluntary Action Perthshire (Perth & Kinross Association of Voluntary Services)
- Young people: The LAG is committed to offer a voice to young people in the LDS delivery as young people has been identified as a target group. For that reason, the LAG agreed to develop a series of initiatives engaging young people and develop reporting mechanisms feeding into the LAG governance arrangements. For example, the LAG envisages asking youth organisations to lead the ‘social media’ strand of its communication plan.

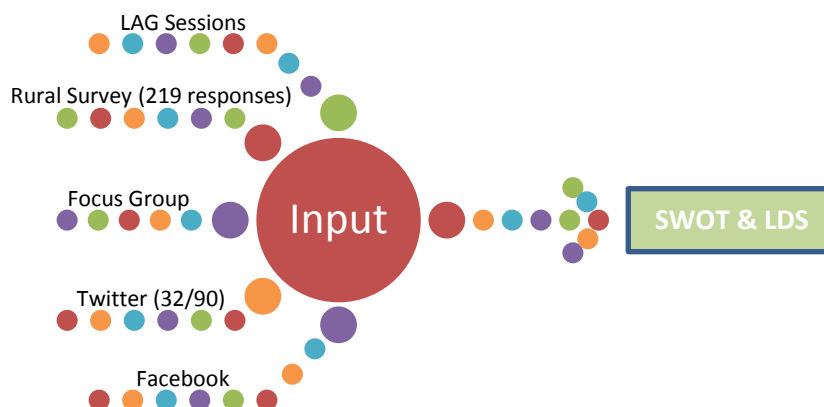
#### *Public organisations:*

- Perth College UHI
- Perth & Kinross Council
- Scottish Enterprise
- Visit Scotland
- Forestry Commission Scotland

More detailed information on each LAG member organisation is provided in Appendix 2. The Shadow LAG agreed that a call to register interest and become LAG members will be organised before the first formal LAG meeting which may result in more organisations joining the LAG. Retiree volunteers and young people or representative organisations would be particularly encouraged.

### Engagement approach

- 5.3 The engagement approach has been guided by the National Standards for Community Engagement. Launched in May 2005, they set out best practice principles for the way that government agencies, councils, health boards, police and other public bodies engage with communities.
- 5.4 In the first instance, the main outcomes of the engagement process were to:-
- agree key priorities and outcomes for rural Perth & Kinross through the production of the Rural Perth & Kinross LEADER LDS
  - build the capacity of stakeholders as partners in the Rural Perth & Kinross LEADER LAG to sustain engagement and deliver the LDS
- 5.5 The LAG has taking forward a series of engagement actions which have been planned, organised, delivered and recorded using the VOiCE tool. The VOiCE (Visioning Outcome In Community Engagement) has been developed by the Scottish Community Development Centre for the Scottish Government and is designed to assist individuals and organisations to design and deliver effective community engagement. The VOiCE builds on two widely adopted and effective tools: The National Standards for Community Engagement and LEAP - Learning Evaluation and Planning. It is organised around the key planning and evaluation steps of Analyse, Plan, Do and Review. A copy of the VOiCE report for the development of the LDS is attached in Appendix 4A.
- 5.6 Engagement activities to develop the LDS have been facilitated by Community Enterprise Ltd on behalf of the LAG. The socio-economic profile produced by the James Hutton Institute provided the basis for a participative engagement process as below:



- 5.7 The main findings are summarised below:

#### *What People Value Most*

- Landscape and Natural Environment 71% supported this backed up by LAG and focus group
- Tourism Opportunities Identified as a strong opportunity for growth, especially around the A9.
- Our Community Spirit 51% noted “active people and communities” as a strength
- Untapped Talent Open responses to survey and focus group identified a huge resource in the people of rural Perthshire, partly related to experienced retirees and relative local affluence

### *What needs to Improve*

- Transport 42% of respondents and numerous open responses noted this as an issue.
- Broadband 62% noted poor broadband reach as an issue backed up by LAG and by focus group.
- Jobs 53% were concerned about lack of sustainable jobs especially related to youth and to rural skills development.
- Support from the community for Young People particularly in respect to youth unemployment
- Community Facilities need to be enhanced to better serve the rural population especially those with no transport or on a low income.
- Support to an Aging Population Concern noted in open comments.
- Small business start-up and not exclusively social enterprises relating to support, training and networking as well as development of incubator space.
- Land Reform and Asset Transfer Community ownership as well as access to facilities and services at a local level was raised as an issue

### *Leader Ways of Working*

- Involved investor not distant funder
- Support infrastructure
- Build community capacity
- Facilitate ideas to implementation
- Mix of capital and revenue, large and small
- Simple to access start up grants
- Avoid obsession with innovation – recognise need for core cost of working models
- Preference for individual local initiatives rather than sector wide projects.
- Preventative approach supported

### *Ways to Improve Fund Mechanics*

- Simple form (99% supported this)
- Help with match funding (99% supported this)
- Active support officer (98% supported this)

### *Priorities*

#### Priority One: Economy

- Rural broadband 98% supported this
- Rural skills development 93% supported this
- Promoting Rural Perthshire
- Renovation of empty property 95% supported this
- Skills and training 91% supported this including IT skills
- Social enterprise development

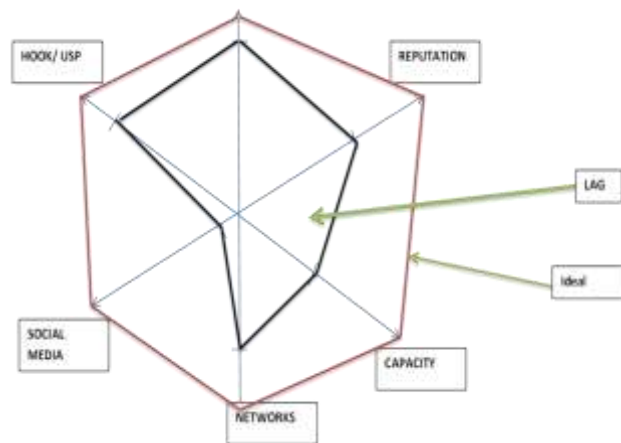
- Business start-up nurturing 93% supported this

Priority Two: Communities

- Fuel Poverty
- Community asset ownership
- Sustainable rural transport 93% supported this
- Paths and cycle routes 96% supported this

The copy of the engagement report is attached in Appendix 3B.

5.8 A communication plan has been developed by Community Enterprise (BOLD) on behalf of the LAG to sustain engagement activities beyond the LDS development into its delivery. The plan includes an engagement chart which helps to ascertain which areas to focus development on.



5.9 In this instance, the LAG has a good hook/USP for engagement; providing funding and support for innovative solutions. It also has a strong brand, reputation and networks. It really needs to focus its efforts on growing its social media for engagement. Its capacity and reputation is medium, and will increase if engagement is effective. A copy of the Communication plan is attached in Appendix 4C. This complements the communication plan included in the Business Plan.

## Lessons learned from Rural Tayside LEADER Programme

5.10 The Rural Tayside LEADER programme focused on two themes:

- Progressive Economy
- Revitalising Communities

and three strategic objectives:

- Generating a diverse and sustainable rural economy and supporting entrepreneurial activities
- Supporting local groups to develop stronger and more inclusive communities
- Enhancing Natural and Cultural Heritage

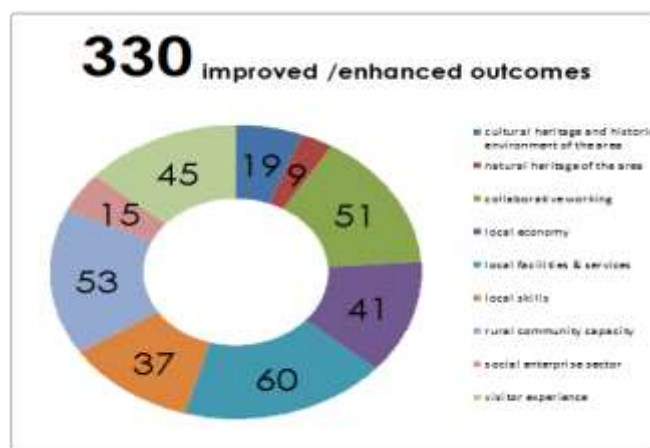
aiming to achieve the following outcomes:

- Improved local economy
- Improved social enterprise sector
- Improved collaborative working
- Improved rural community capacity
- Improved local facilities and services
- Improved local skills
- Improved visitor experience
- Enhanced Natural Heritage of the area
- Enhanced Cultural Heritage and Historic Environment of the area

5.11 The Programme supported 80 projects in rural Perth & Kinross. The grant approved was £1,358,470 for total eligible costs of £3,192,870. The majority of projects and funding aimed to support local groups to develop stronger and more inclusive communities (47 projects/£689,523) with an equal proportion aimed to generate a diverse and sustainable economy (15 projects/£384,814) and enhance natural and cultural heritage (16 projects/£236,439).

5.12 Across the programme, the reported impacts were as follows:

- Increase community spirit, cohesion and confidence
- Better collaborative working and partnerships
- Increase group capacity and motivation to take on other projects
- Increase in individual capacity: learning and skills
- Opportunities for intergenerational work
- Process helped focus on needs and plan activity
- More business networking and skills exchange
- Helps local employment
- Opportunity to restructure governance
- More volunteer involvement
- Better and improved facilities



## 6. SWOT Analysis

6.1 The analysis of the development needs and opportunities of the area has been carried out through a SWOT analysis highlighting strengths, weaknesses, opportunities and threats. The analysis has been informed by socio-economic research and engagement activities with key local stakeholders including LAG members, but also with people living and working in the area.

Strengths	Weaknesses
<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>• Strong attractions as a tourism area with high quality outdoor recreational opportunities including walking, cycling, golf, wildlife and visitor centres</li> <li>• World class destinations for locally sourced quality food; wood energy systems; top-quality golf courses; high quality salmon fisheries; country sport</li> <li>• Attractive residential destination for individuals of high net worth including retirees who inject money into the local economy as well as being attractive for commuters to Perth and further afield, making the area generally relatively affluent for rural Scotland</li> <li>• Diverse rural economy not overly dependent on any one sector with strong networks of small businesses</li> <li>• High quality local food produce, local promoting initiatives and food and drink experience</li> <li>• Extensive forests, including high quality productive timber and high value amenity woodland</li> <li>• Significant natural resources (wind, hydro, wood) used to support the renewable energy sector</li> <li>• Diversity of skills from manufacturing to farming and hospitality industry including skilled farming community</li> <li>• Healthy farming sector with major knowledge hub for arable crops and soft fruit in the James Hutton Institute and in some highly sophisticate agribusinesses</li> <li>• Strong and diverse events/festivals calendar</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>• Beautiful and high quality environment with diverse landscape and rich biodiversity</li> <li>• Rich cultural heritage and historic build environment</li> </ul> <p><b>Access</b></p> <ul style="list-style-type: none"> <li>• Good connections by road and rail to all the major cities in Scotland from Perth and communities along major routes (e.g. A9)</li> </ul> <p><b>People, Social Capital and social inclusion</b></p> <ul style="list-style-type: none"> <li>• Some strong communities with high community spirit supported by well-developed network of local development trusts or partnerships.</li> <li>• Strong identity based on high quality of life and safe area</li> <li>• Good level of community activity, volunteering and enterprising</li> </ul>	<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>• Dependency on tourism in certain communities</li> <li>• Short-term employment including large seasonal farm workforce</li> <li>• Lack of value-added activity in primary production and forestry</li> <li>• Lack of e-commerce skills in some sectors or organisations</li> <li>• Co-dependency between rural communities and economic viability of Perth City</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>• Small town and village centres retailing is challenged</li> </ul> <p><b>Access</b></p> <ul style="list-style-type: none"> <li>• Poor and expensive transport and lack of transport between neighbouring communities which leads to a need to duplicate services within small areas</li> <li>• Poor broadband and mobile access</li> <li>• Constraint to access or lack of outreach of public, private and voluntary sector services which are also perceived as too 'Perth' centric</li> </ul> <p><b>People, Social Capital and social inclusion</b></p> <ul style="list-style-type: none"> <li>• High level of affluence leaves poor households isolated in a relatively high cost rural economy</li> <li>• Ageing rural population in some areas indicates high levels of dependency and places high demands on social services and voluntary support</li> <li>• Some of the small towns have sub-areas characterised by high levels of deprivation and disadvantage</li> <li>• Distribution and effectiveness of community development trusts is patchy with modest social enterprise sector</li> <li>• Lack of affordable housing and costs of accommodation</li> <li>• Young people leaving after school</li> </ul>



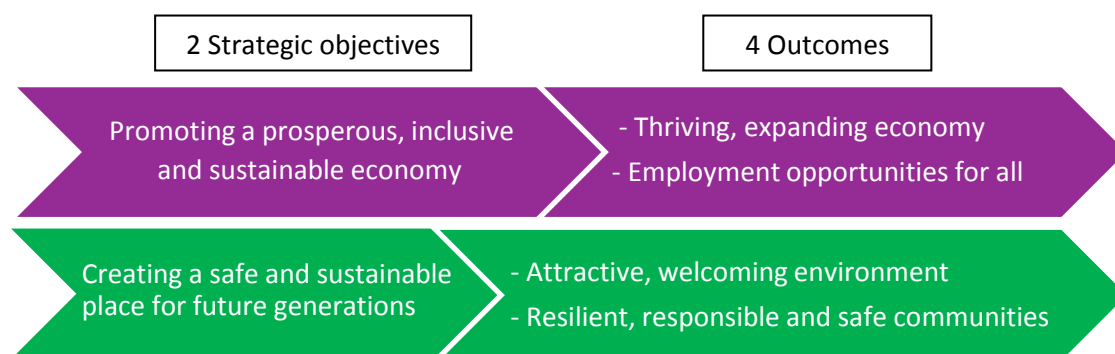
Opportunities	Threats
<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>• Co-ordinated approach to improve job seekers employability and to attract employment into smaller communities i.e. to match capacity and skillsets</li> <li>• Enhanced support to business owners to deal better with change so that they can create more employment</li> <li>• Stronger development of local value added enterprise based on primary products, including food sector, wood processing and wood energy based on market change including the creation of the Perth Food and Drink Park</li> <li>• Perth city status to develop City-Region initiatives</li> <li>• Public procurement projects which favour local producers and suppliers</li> <li>• Proximity to city to locate logistics/distribution centre, commuting and generate investment.</li> <li>• Development of renewable energies</li> <li>• Stronger linkages between tourism and local food and proximity to National Parks</li> <li>• Growing eco and adventure tourism.</li> <li>• Roll out best practice and flag exemplar projects and businesses in a range of sector from leisure to food to renewables</li> <li>• Development of BIDS</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>• Co-constructed strategies for regeneration of derelict buildings, public spaces and properties in town centres</li> <li>• Enhancement of cultural heritage.</li> <li>• Decentralised working to reduce carbon footprint to reduce travel to work</li> <li>• Development of core path network and other routes for multi-use access</li> </ul> <p><b>Access</b></p> <ul style="list-style-type: none"> <li>• Investment in rural broadband and digital participation activities (community-based development for teaching IT skills to up-skill all members of community) opening up access to private and public e-services</li> <li>• Development of outreach services by large organisations or smaller organisation working together using community facilities to make services accessible to rural areas</li> </ul> <p><b>People, Social Capital and social inclusion</b></p> <ul style="list-style-type: none"> <li>• Network of rural community groups/activists facilitating joint working with public and voluntary agencies and build up local pride.</li> <li>• Community Empowerment Bill leading to community ownership of local assets</li> <li>• Land Reform leading to opportunities for community ownership of local assets</li> <li>• Older people enhancing local social capital.</li> <li>• Opportunities for skill transfer and training</li> <li>• Development of local development trusts</li> <li>• Development of strategies to address the most disadvantaged communities in the small towns of the region</li> <li>• Development of mentoring/buddying opportunities in business or personal development</li> <li>• Young people encouraged to take initiative and be responsible citizen</li> </ul>	<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>• Concentration on Perth city status to the detriment of rural areas</li> <li>• The area has the fringes of two national parks at its boundaries but is 'not a national park'</li> <li>• Dependency on single employer – (closure of factory business).</li> <li>• Slow planning system</li> <li>• Land reform agenda may lead to potential de-investments.</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>• Large windfarm developments impacting on landscape</li> <li>• Environment damage from agricultural and forestry intensification</li> <li>• Risk to human wellbeing and environment from climate change including flooding with some communities and extensive areas of land at high risk</li> </ul> <p><b>Access</b></p> <ul style="list-style-type: none"> <li>• Closure of Council buildings may lead to reduced services and empty buildings</li> <li>• Big stores or on line commerce taking custom, leading to closure of local businesses</li> <li>• Reduction in local services in small towns/villages</li> </ul> <p><b>People Social Capital and social inclusion</b></p> <ul style="list-style-type: none"> <li>• People coming from other parts of the world for jobs in tourism/agriculture not being integrated into communities or immigrant labour prevented to come and work</li> <li>• Decline of mutual aid and collective care as a result of in-migration/commuting and the breakdown of traditional communities</li> <li>• Greater reliance on internet for finding information and applying online e.g. benefits, etc.</li> <li>• Increase digital divide with huge number of people needing IT skills and access to IT for social inclusion</li> <li>• Hidden poverty leading to isolation and increased number of isolated people due to uncertainties as to depth of recovery and continued austerity for some groups (including particular challenges for those on fixed incomes such as many pensioners) and increased pressure on services.</li> <li>• Inadequate housing (number, type)</li> <li>• Divide between people who are empowered and those who are not (cliques)</li> <li>• Lack of volunteers, ageing volunteers, volunteers' fatigue</li> <li>• Increased need to bid for project support means that poor and areas with weak social capital get stuck further behind</li> <li>• Rising energy prices and increased fuel poverty and mobility costs (from markets and/or taxation)</li> <li>• Lack of opportunities for young people</li> </ul>

## 7. Strategy

- 7.1 The analysis of the development needs and opportunities of the area has been carried out through a SWOT analysis highlighting strengths, weaknesses, opportunities and threats. This analysis has been based on research and engagement with people working and living in rural Perth & Kinross.
- 7.2 Social and economic development is rarely uniform over space and such variations in socio-economic wellbeing operate at different scales, from households, to neighbourhoods, to districts, to regions. Rural Perth and Kinross is relatively prosperous compared to some parts of rural Scotland, but some communities exhibit relatively poor performance.
- 7.3 A further factor in rural wellbeing is the strength of social capital and the capacity for bottom-up community activity. There is very good evidence of community activity in a many rural Perth & Kinross communities and as for differential development over space, there is also a differential development over social capital.
- 7.4 The challenge for rural Perth & Kinross is therefore to focus on its strengths of a relatively affluent rural area as well as reducing the existing divide between individuals, organisations and communities and the Rural Perth & Kinross LEADER Local Development Strategy should support our rural communities to rise to that challenge.
- 7.5 The overall aim of the Rural Perth & Kinross LEADER Local Development Strategy is:

**To support individuals, organisations and communities in rural Perth & Kinross to be stronger, more confident and inclusive to lead or contribute to local economic and community development**

- 7.6 The overall aim will be delivered through two key strategic objectives focusing on 4 key specific outcomes:-



- 7.7 The emphasis will be on enabling individuals, particularly young people, and organisations to develop the confidence, understanding and skills required to lead or contribute to the development of their rural communities. This process will be supported by public, private and third sector partners working collectively to create better conditions for economic growth and employment generation.

### **Equality Impact Assessment**

- 7.8 An Equality Impact Assessment has been carried out. The LAG recognises that the different strategic objectives, outcomes and proposed actions offer opportunities to address some of the issues faced by 'Equality' groups in rural areas particularly women, migrants and young people and positive actions will be promoted to ensure that such opportunities are maximised. The LAG has agreed to identify young people as a specific target group in the LDS based on feedback from engagement activities. An Equality statement is included in the Business Plan.

### **Young People**

- 7.9 A key issue for young people is the maintenance of the services, facilities and opportunities that make it attractive to stay in rural areas. Infrastructure such as transport and broadband can play a key role in providing access to social and educational facilities and employment, but investment in initiatives led by young people can also release their enterprising capabilities. The LDS will support community-led and youth led initiatives to invest in actions supporting young people to develop their confidence, understanding and skills to lead or contribute to the development of their rural communities. The LAG is committed to offer a voice to young people in the LDS delivery as young people has been identified as a target group. However, the LAG recognises that offering a place on the LAG is not necessarily an attractive offer. For that reason, the LAG agreed to develop a series of initiatives engaging young people and develop reporting mechanisms feeding into the LAG governance arrangements. For example, the LAG envisages asking youth organisations to lead the 'social media' strand of its communication plan.

### **Cooperation**

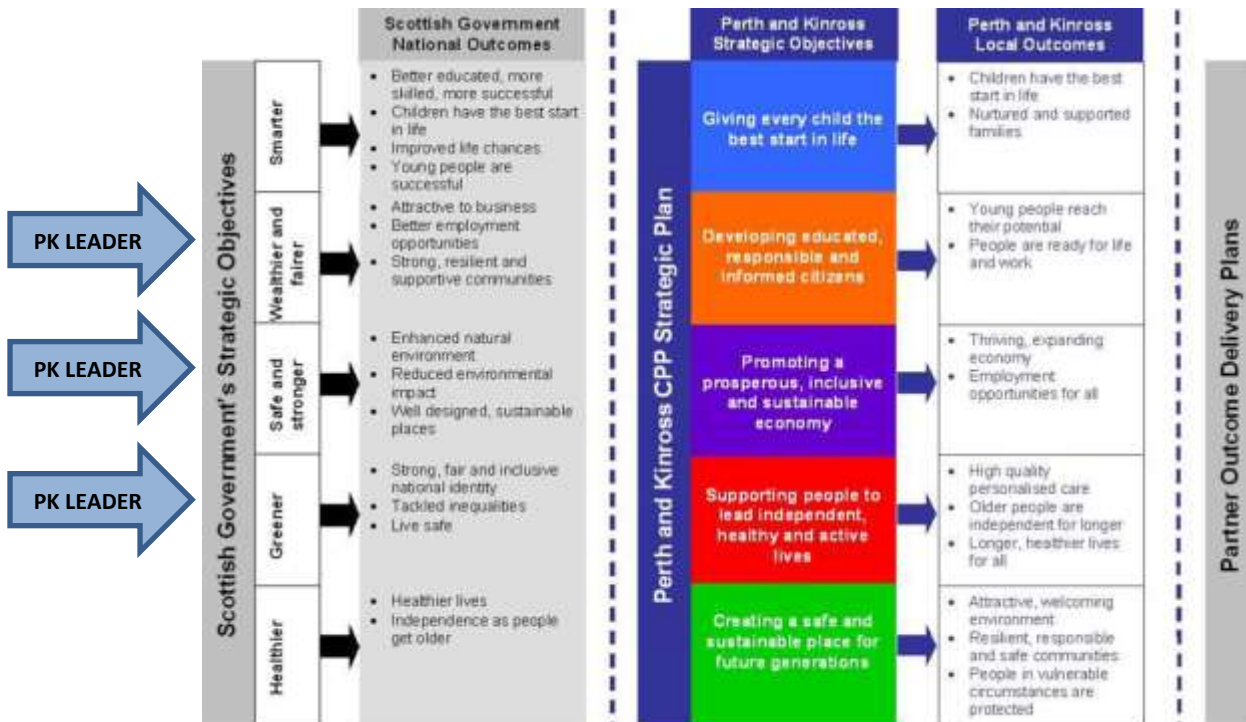
- 7.10 Cooperation activities will support the implementation of the LDS priorities and joint working will be developed with LEADER area adjacent to Rural Perth & Kinross LEADER area particularly with the Cairngorms LEADER area which includes an area within Perth & Kinross Council's boundaries, but also with Angus LEADER area using strong links already developed under the Rural Tayside LEADER programme. Other cooperation activities with other LEADER in Scotland such as South Aberdeenshire, Highland, Fife, Forth Valley and Lomond would also be developed. Such cooperation would align closely to the identified strategic objectives and proposed actions in the LDS. One proposal could be the organisation of joint LAG meetings and/or events as well as encouraging and supporting project promoters to develop joint projects. Finally, cooperation beyond these areas in Scotland, the UK and Europe will also be developed focusing particularly on young people and the delivery of LDS priorities.

**Co-ordination with other local/regional/national strategies**

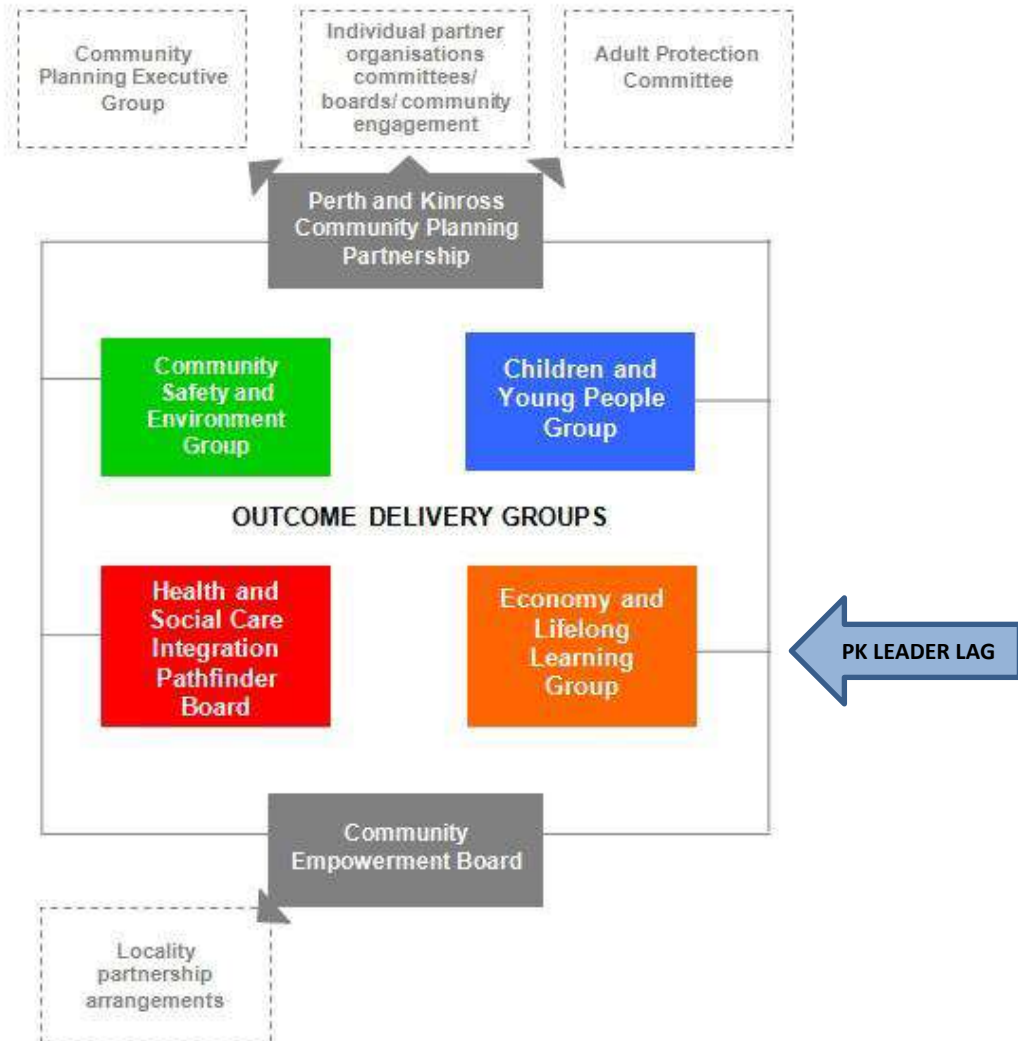
7.11 The Rural Perth & Kinross LEADER LDS links directly to Perth & Kinross Community Plan (2013-2020) and Single Outcome Agreement through its common strategic objectives and outcomes:



7.12 It also links to the Scottish Government strategic Objectives and National Outcomes



7.13 The Local Action Group will also directly link to the Community Planning structure via the 'Economy and Lifelong Learning' Outcome Delivery Group.



7.14 The Strategy links also to other national strategies/policies such as

- Economic Strategy, Enterprise Strategy, Tourism Strategy, Routemap for renewable energy, Food & Drink Policy
- Scotland's Digital Future: Infrastructure Action Plan, National Transport Strategy
- Employability Framework, Skills for Scotland Strategy, Youth Employment Strategy
- Scottish Rural Development Programme and Our Rural Future
- Regeneration Strategy

## Coherence with Common Strategic Framework and EU 2020

7.15 The 2014-20 LEADER programme must embrace some of the EU strategic priorities for rural development which include:

- Fostering knowledge transfer and innovation
- Enhancing competitiveness
- Promoting food chain organisation & risk management
- Restoring, preserving & enhancing ecosystems
- Promoting resource efficiency & transition to low carbon economy
- Promoting social inclusion, poverty reduction and economic development

7.16 The Rural Perth & Kinross LEADER LDS will directly contribute to promote social inclusion, poverty reduction and economic development by investing in community-led initiatives contributing to enterprise development; skills development and infrastructure improvement as well as developing local services and active people and communities. It will also contribute to fostering knowledge transfer and innovation by developing community based support and learning networks. Overall, it will support individuals, organisations and communities to be stronger, more confident and inclusive to lead or contribute to local economic and community development

7.17 The Rural Perth & Kinross LEADER LDS is underpinned by the application of six guiding principles as follows:



7.18 The Rural Perth & Kinross LEADER LDS development has been based on a bottom-up approach and driven by the LAG a local public/private partnership. The LDS is an area-based strategy which will support innovation, cooperation and networking with integrated and multi-sectoral actions.

7.18 The LAG is committed to deliver the LDS using the guiding principles.



## 8. Proposed actions

8.1 Research and engagement activities have taken place and have identified a series of project types and proposals that people living and working in rural see as relevant for LEADER support. They provide an indication on how the overall aim and the strategic objectives can be turned into practical actions.

8.2 It is essential that the LDS is sufficiently flexible to allow scope for the development of innovative approaches and to harness local expertise and knowledge. Therefore collaboration across sectoral, community groups and statutory bodies will be embedded in each strategic objective and proposed actions.

### **Promoting a prosperous, inclusive and sustainable economy**

8.3 To build a thriving, expanding economy and develop employment opportunities for all, the LDS will invest in community-led initiatives contributing to:-

- Enterprise development
- Skills development
- Infrastructure improvement

8.4 Examples of actions include:

- Support small and medium businesses and community/social enterprise
- Support supply chain and joint working initiatives in the key sectors of food and drink, forestry, tourism, and renewables
- Promote Rural Perth & Kinross as a place to invest and develop business
- Up-skilling IT/digital skills (e.g. internet, social media)
- Support skills development including rural skills particularly for young people
- Develop community broadband networks and mobile access
- Develop rural transport initiatives
- Renovate empty or in need of improvement village/town centre properties

### **Creating a safe and sustainable place for future generations**

8.5 To make the environment more attractive and welcoming and communities safer, more resilient and responsible, the LDS will invest in community-led initiatives contributing to:-

- Landscape, natural environment and cultural assets improvement
- Local services improvement
- Active people and communities development

8.6 Examples of actions include:

- Develop or enhance access to landscape and natural environment through for example development of path and cycle routes
- Enhance access to or develop local services including rural transport, facilities and community spaces
- Promote and support community ownership of assets including business premises
- Develop community-based support and learning networks to share skills and resources



- Develop community support services including community development officers and access to specialised advice
- Support joint working initiatives across sector or themes
- Support initiatives for young people
- Support recognition of community achievements and best practices

8.7 The LAG has agreed to support key priority projects to deliver key elements of the strategy including set budgets to be agreed at the start of programme for the duration of the programme 2015-2020.

### **Youth Initiative**

8.8 A Youth Initiative would be developed in partnership with Cairngorms LAG and Rural Angus LAG and funded through the 'Cooperation' budget. The initiative would have three elements:

8.9 Support Youth Champions/coaches in existing youth organisations to help young people to develop ideas and projects.

8.10 Establish a Youth Challenge Fund (micro-funding up to £5,000) to support projects led by young people

8.11 Establish a Social media/Communication project encouraging young people to contribute to the Programme communication and promote local projects.

### **Capacity Building**

8.13 Establish a Rural Community Future Leaders programme in partnership with Cairngorms LAG and Rural Angus LAG and funded through the 'Cooperation' budget – It would be a Personal development programme targeting individual volunteers (all ages but focusing on young people and retirees) leading or aspiring to lead community organisations and projects.

8.14 Create an evaluation capacity building project, in partnership with the Rural Angus LAG and potentially other LAGs and funded through the 'Cooperation' budget. This will focus on developing the capacity and skills of community organisations and LAG in monitoring and evaluation and providing opportunities for participation and engagement, knowledge transfer and exchange of best practice including the creation of an evaluation steering group, a peer review group within other LAGs and a series of evaluation activities such as surveys, focus groups or case studies using different tools such as self-evaluation or logic modelling. This will have to link to, and be delivered by, existing supporting organisations such as Voluntary Action Perthshire and Perth & Kinross Council's Community Capacity Building Team with the support of specialist advisers and linking to local or national evaluation systems developed by the Lead Partner (eg Perth & Kinross Council's internal audit), Managing Authority or through the National Rural Network.

8.15 Create and develop a Community Capacity Building/Enterprise Pipeline (similar to Business Support pipeline) providing support to start-up (website based, other local support), growing organisations (access to special advice HR, Legal, Finance) and high growth organisations (ie development trusts, employing staff, generating income from assets, asset ownership) (access to intensive support eg 12-24 months project managers, specialist advice).

### **Community Broadband**

- 8.16 Create a Community Broadband Network Initiative to support community organisations to develop local broadband networks where National Programme would not improve speeds helping with feasibility studies, business modelling and physical deployment.

### **Support to SMEs**

- 8.17 Create a SME Grant Scheme to support start-up, business growth or farm diversification and access to business support.

### **Challenge Open Fund**

- 8.18 An open grant scheme will be created and will run for the duration of the programme to help projects supporting the delivery of the LDS through feasibility study, pump-priming or support to develop or improve physical assets and develop activities.

8.19 The rationale and the justification for the selection of strategic objectives, investment priorities, actions and priority projects and funding schemes are described in the table below:

Overall aim	Selected strategic objectives	Investment Priorities and actions	Justification for selection	Priority projects and funding schemes
To support individuals, organisations and communities in rural Perth & Kinross to be stronger, more confident and inclusive to lead or contribute to local economic and community development	Promoting a prosperous, inclusive and sustainable economy	<p><i>Enterprise development:</i></p> <ul style="list-style-type: none"> <li>- Support small and medium businesses and community/social enterprise</li> <li>- Support supply chain and joint working initiatives in the key sectors of food and drink, forestry, tourism, and renewables</li> <li>- Promote Rural Perth &amp; Kinross as a place to invest and develop business</li> </ul>	Supporting the capacity of SMEs to engage in growth in local, regional, national and international markets and in innovation processes. There is a lack of finance available for SME's who do wish to grow their business particularly to support diversification and employment growth in fragile areas to add value in primary production and forestry tapping into high quality local food produce, local promoting initiatives and food and drink experience, extensive forests including high quality productive timber and high value amenity woodland), high quality outdoor recreational opportunities and significant natural resources (wind, hydro, wood) used to support the renewable energy sector.	SMEs grant and support scheme  Challenge Open Fund
		<p><i>Skills development:</i></p> <ul style="list-style-type: none"> <li>- Up-skilling IT/digital skills (e.g. internet, social media)</li> <li>- Support skills development including rural skills particularly for young people</li> </ul>	Supporting individual, groups, communities and businesses to develop their IT/Digital skills and rural skills. There is a lack of finance, facilitation and support network for them to access learning opportunities and use them to develop services and access jobs. There is a lack of e-commerce skills in some sectors or organisation and increased digital divide with huge number of people needing IT skills and access to IT for social inclusion. There is a lack of opportunities particularly for young people linking to job opportunities in farming and hospitality industry.	Youth Initiative-Social Media  Challenge Open Fund
		<p><i>Infrastructure improvement:</i></p> <ul style="list-style-type: none"> <li>- Develop community broadband networks and mobile access</li> <li>- Develop rural transport initiatives</li> <li>- Renovate empty or in need of improvement village/town centre properties</li> </ul>	A significant number of 'white areas' with no or poor digital coverage at all remain in remote rural Perth & Kinross, disadvantaging people and businesses, restricting opportunities, risking social exclusion and exclusion from services. Poor and expensive transport and lack of transport between neighbouring communities which leads to a need to duplicate services within small areas. Big stores or on line commerce taking custom, leading to closure of local businesses and reduction in local services in small towns/villages. There is a lack of finance, facilitation and support network for businesses and communities to develop their own community-led solutions.	Community Broadband Initiative  Challenge Open Fund

Overall aim	Selected strategic objectives	Investment Priorities and actions	Justification for selection	Priority projects and funding schemes
To support individuals, organisations and communities in rural Perth & Kinross to be stronger, more confident and inclusive to lead or contribute to local economic and community development	Creating a safe and sustainable place for future generations	<p><i>Landscape, natural environment and cultural assets improvement:</i></p> <ul style="list-style-type: none"> <li>- Develop or enhance access to landscape and natural environment through for example development of path and cycle routes</li> </ul>	The area has the fringes of two national parks at its boundaries but is 'not a national park and need to strengthen its position by enhancing its beautiful and high quality environment with diverse landscape and rich biodiversity and its rich cultural heritage and historic build environment cultural heritage to grow eco and adventure tourism and strong attractions as a tourism area with high quality outdoor recreational opportunities including walking, cycling, golf, wildlife and visitor centres. There is a lack of finance, facilitation and support network for businesses and communities to develop their own community-led solutions.	Challenge Open Fund
		<p><i>Local services improvement:</i></p> <ul style="list-style-type: none"> <li>- Enhance access to or develop local services including rural transport, facilities and community spaces</li> <li>- Promote and support community ownership of assets including business premises</li> </ul>	Poor and expensive transport and lack of transport between neighbouring communities which leads to a need to duplicate services within small areas. Reduction in local services in small towns/villages including closure may lead to empty buildings. There is a lack of finance, facilitation and support network for businesses and communities to develop their own community-led solutions.	Challenge Open Fund
		<p><i>Active people and communities development:</i></p> <ul style="list-style-type: none"> <li>- Develop community-based support and learning networks to share skills and resources</li> <li>- Develop community support services including community development officers and access to specialised advice</li> <li>- Support joint working initiatives across sector or themes</li> <li>- Support initiatives for young people</li> <li>- Support recognition of community achievements and best practices</li> </ul>	There is a decline of mutual aid and collective care as a result of in-migration/commuting leading to the breakdown of traditional communities. There is also a divide between people who are empowered and those who are not (cliques) with a lack of volunteers, ageing volunteers and volunteers' fatigue. There is a lack of opportunities for young people and an ageing rural population in some areas indicates high levels of dependency and places high demands on social services and voluntary support. Some of the small towns have sub-areas characterised by high levels of deprivation and disadvantage, and distribution and effectiveness of community development trusts is patchy with modest social enterprise sector. There is a lack of finance, facilitation and support network for individuals and communities to develop their own community-led solutions.	Rural Community Future Leaders programme  Community Capacity Building/Enterprise Pipeline  Youth Initiative-Youth Champions/Youth challenge Fund/Social media  Peer review and capacity building evaluation project  Challenge Open Fund

## APPENDIX 1 – DATAZONES INFORMATION - LEADER ELIGIBLE DATAZONES







**DATAZONES INFORMATION – LAEDER ELIGIBLE DATAZONES**  
**(POPULATION & AREA)**

<b>Data Zone Code</b>	<b>Data Zone Area (Hectares)</b>	<b>Population 2011</b>	<b>Comments</b>
S01004973	2406.65	1016	
S01004974	4584.67	1188	
S01004975	1720.31	760	
S01004976	46.54	950	
S01004977	26.03	966	
S01004978	165.31	1001	
S01004979	44.93	819	
S01004980	22.95	962	
S01004981	8896.77	988	
S01004982	2648.50	666	
S01004983	1117.47	963	
S01004984	2859.10	763	
S01004985	4726.55	813	
S01004986	998.31	786	
S01004987	3176.66	497	
S01004988	491.49	550	
S01004989	6487.56	695	
S01004990	4931.79	593	
S01004991	4598.62	659	
S01004992	26.98	848	
S01004993	122.19	691	
S01004994	33.17	810	
S01004995	38.62	1012	
S01004996	35.62	708	
S01004997	6992.52	958	
S01004998	4517.34	1260	
S01004999	5118.33	898	
S01005000	1047.13	546	
S01005001	2121.55	1171	
S01005002	10071.84	1016	
S01005003	5921.29	1089	
S01005004	646.34	881	
S01005005	24.61	941	
S01005006	73.10	680	
S01005007	2027.92	839	
S01005008	3815.11	1335	Contains part of Perth: Pop. Est. 135 Area Est. 5% in Perth
S01005009	470.13	1033	
S01005010	58.80	696	
S01005011	26.57	860	
S01005012	17.41	874	
S01005013	18.14	817	



S01005015	37.66	613	
S01005016	22.18	887	
S01005017	27.85	722	
S01005020	76.24	833	
S01005021	54.53	1066	
S01005023	2341.90	900	
S01005025	4624.49	690	
S01005026	276.54	676	Contains part of Perth: Pop. Est. 76 Area Est. 25% in Perth
S01005027	2424.16	812	Contains part of Perth: Pop Est. 0 Area Est. 10% in Perth
S01005035	1179.05	983	
S01005052	6956.53	914	
S01005064	753.47	754	Contains part of Scone: Pop. Est. 700 Area Est. 15% in Scone
S01005067	9788.02	627	
S01005073	17561.73	616	
S01005074	1782.32	1210	
S01005082	86.50	657	
S01005085	27.25	533	
S01005088	21.86	561	
S01005092	85.65	672	
S01005093	75181.65	704	Contains part of Perth: Pop. Est. 660 Area Est. 15% in Perth
S01005094	2027.19	802	
S01005095	5406.06	1566	Contains part of Scone: Pop. Est. 166 Area Est. 5% in Scone
S01005096	27.90	734	
S01005097	1020.41	842	
S01005098	174.34	722	
S01005099	41.02	797	
S01005100	39.32	928	
S01005101	35.59	996	
S01005102	3836.85	893	
S01005103	4259.14	1155	
S01005104	11833.29	1002	
S01005105	42.66	886	
S01005106	16.35	557	
S01005107	23.79	454	
S01005108	27.02	635	
S01005109	6378.43	1470	
S01005110	7237.24	1115	
S01005111	214.20	577	
S01005112	34501.07	876	
S01005113	399.74	1045	
S01005114	12.79	990	
S01005115	13556.74	973	
S01005116	3110.17	621	
S01005117	3931.80	1014	
S01005118	1889.17	813	
S01005119	73.04	712	

S01005120	48.37	665	
S01005121	2911.55	918	
S01005122	33.04	866	
S01005123	53.42	750	
S01005124	21.45	710	
S01005125	15.99	839	
S01005126	1641.27	656	
S01005127	26.49	678	
S01005128	57.73	991	
S01005129	29.76	948	
S01005130	22.71	666	
S01005131	2856.62	984	
S01005132	93.29	718	
S01005133	3501.06	401	
S01005134	56.83	989	
S01005135	33.37	780	
S01005136	58.05	846	
S01005137	19931.37	943	
S01005138	6456.01	1129	
S01005139	8208.91	725	
S01005140	94739.43	613	
S01005141	15431.11	828	
S01005142	1801.74	561	
S01005143	61.23	1122	
S01005144	101.76	1222	
S01005145	8201.22	731	Contains Part of Cairngorms National Park: Pop. Est. 31 Area Est.10% in NP
S01005146	19199.27	745	Contains Part of Cairngorms National Park: Pop. Est. 145 Area Est. 60% in NP
S01005147	28265.88	945	Contains Part of Cairngorms National Park: Blair Athol (475) + other 125= Pop. Est. 600 Area Est. 60% in NP
TOTAL	530458.75	94166	
Pop/SqKm	5304.00	94166	17.75

## APPENDIX 2 – SOCIO-ECONOMIC PROFILE

[Rural PK area profile \[6Mb\]](#)

## APPENDIX 3 - LOCAL ACTION GROUP

- Perth & Kinross Tourism Partnership: A public/private partnership regrouping private businesses and public agencies with an interest in tourism.
- National Farmers Union for Scotland: A direct member organisation grouping farmers which promotes and protects the interests of the country's farming industry. It was formed in 1913, and has approximately 10,000 members who are farmers, crofters, and others involved in Scottish agriculture.
- Scottish Lands and Estates: It has evolved from what was the Scottish Rural Property and business Association and before that the Scottish Landowners' Federation, which was originally founded in 1906. Scottish Land & Estates strives to demonstrate, promote and represent the very good work and contribution landowners and rural businesses make on farms, landholdings and estates cross Scotland --to both the communities to which they belong and also to the wider economy and society.
- Highland Perthshire Communities Partnership: A registered Charity which has been in existence for more than 15 years. It exists to help and support its member groups which currently number around 25 different volunteer organisations, all based in Highland Perthshire. It supports group in all sorts of ways, advice, funding searches, networking or as an information conduit. HPCP counts all 10 Highland Perthshire Community Councils as members.
- Kinross-shire Partnership: A rural development company established in 1998 comprising a mix of local business people, PKC Ward councillors and community representatives.
- Crieff and Upper Strathearn Partnership: A Partnership formed formed in 2005 to promote what people in the town and surrounding area wants. It includes community council, community trust and other local initiatives/groups.
- Coupar Angus Regeneration Trust: A working community regeneration organisation which was constituted in 1999 whose purpose is to support regeneration of urban and rural areas in and around Coupar Angus and the nearby villages of Ardler and Bendochy.
- Perthshire Chamber of Commerce: An independent, voluntary, non-profit making, non-political business organisation dedicated to the furtherance of members' interests. It is the largest private sector business support organisation. The Perthshire Chamber of Commerce has a voluntary Board of Directors from all over Perthshire and a wide range of business sectors.
- Federation of Small Businesses: A non-profit making and non-party political organisation formed in 1974 with 200,000 members across 33 regions and 194 branches in the UK. It promotes and protect the interests of the self-employed and owners of small firms.
- Voluntary Action Perthshire (Perth & Kinross Association of Voluntary Services): Formed through the merger of the Council for Voluntary Service and the Volunteer Centre in Perth & Kinross, It is a department of PKAVS and fulfills the function of the Third Sector Interface for Perth & Kinross.
- Perth College UHI: A College of further and higher education offering full and part time courses from national certificate to degree level.

- Perth & Kinross Council: A local authority which delivers or facilitates a wide range of services which impact on almost every aspect of people's lives, at every stage of their lives, including education, roads, housing, care for vulnerable people, parks, street cleansing, economic development and refuse collection.
- Scottish Enterprise: a sponsored non-departmental public body of the Scottish Government which encourages economic development, enterprise, innovation and investment in business.
- Visit Scotland: formerly the Scottish Tourist Board, it is the national tourism agency and an executive non-departmental public body of the Scottish Government.
- Forestry Commission Scotland: Created on 1 April 2003, it serves as part of the Scottish Government's Environment and Forestry directorate, and is responsible to Scottish ministers, advising on and implementing forestry policy and managing the national forest estate.

More details are provided in the Business Plan.

## APPENDIX 4 – ENGAGEMENT ACTIVITIES

Appendix 4A - [VOiCE Report](#)

Appendix 4B- [Engagement report](#)

Appendix 4C - [Communication Plan](#)