Rural Economy

Background

Development of an economic nature in the countryside/rural areas has the potential to meet local needs and enable prosperous, sustainable communities. This includes the re-use and adaptation of existing rural-based buildings for businesses as well as the development of new ones.

Businesses, services and crafting in rural areas often directly serve local communities and their development, diversification and expansion can help to support the wider local economy. Many businesses, such as those for agriculture and forestry, are also necessarily based in rural areas in order to have access to the land resource upon which they depend.

Agricultural policy has also changed considerably in the past few decades, and farm/agricultural land owners and owners of other land-based rural businesses are increasingly seeking to diversify their economic activities to make more profitable use of their land and buildings, thereby sustaining their businesses in the long-term.

There are also other types of business such as those for tourism, community use and recreation that may benefit from a countryside location and these should be encouraged where it would not be in conflict with other aims in the interest of supporting the rural economy. Local Plan policies need to strike a suitable balance between encouraging rural economies, maintaining and, where possible, improving the sustainability of smaller rural settlements and conserving the character of the countryside.

The following sets out how the rural economy is addressed through the County Plan and the Local Plan's new vision and objectives.

Herefordshire County Plan

The County Plan seeks to ensure the rural communities are well connected which will help to sustain a strong rural economy.

Local Plan Draft Vision

The draft Local Plan 2021-2041 draft vision identifies the rural areas as resilient areas, having a strong farming and sustainable tourism role and how they continue to have an important input in to the local economy.

Local Plan Draft Objectives

The Local Plan's draft objectives clearly state the important role that agriculture plays in the local economy. The objectives are supportive of appropriate diversification and modernisation to strengthen this sector.

National Guidance

The National Planning Policy Framework promotes the sustainable growth and expansion of all businesses in rural areas. Diversification of agricultural and other land based businesses is encouraged. A policy that seeks to actively encourage and enable appropriate forms of development in principle could therefore help to expand and/or diversify the rural economy by enabling '*the sustainable growth and expansion of all types of businesses in rural areas…'*

As well as agricultural developments, such developments might include the redevelopment or conversion of agricultural buildings to community, recreational or small-scale business uses; or the development of new uses such as farm shops and other farm diversification proposals, tourist accommodation and small-scale rural tourism attractions. Small-scale leisure facilities that respect the character of the countryside may also be appropriate uses that a rural development policy could support, subject to demonstrating that their location is appropriate.

It is recognised that sites may not always be available close to settlements, and may need to go into the wider countryside. Sustainable tourism is a factor for the rural economy. Rural accessibility will be an important consideration when looking at developments coming forward within and adjacent to rural settlements and in the open countryside.

Local Considerations

Herefordshire is one of England's most sparsely populated counties, with 95 per cent of the land area being 'rural', and 53 per cent of the population living in rural areas, according to Herefordshire's Joint Strategic Needs Assessment (2021).

Being a predominantly rural county presents opportunities in, for example, tourism, food and drink production and agriculture. The economy of Herefordshire is dominated by small businesses, with a higher representation of employment in agriculture and manufacturing.

Coupled with its rural nature are the geographical barriers to services. Across the rural areas, road infrastructure mainly comprises minor roads, with only the south-east directly connected to the motorway network. Apart from the three urban railway stations, there is just one rural station in the village of Colwall in the whole county. Reducing carbon emissions from transport has additional challenges in rural areas, therefore the Council is looking at an Electric Vehicle Strategy going in to the future.

These challenges have implications in terms of access to services and employment. Almost two thirds of all Herefordshire areas are among the 25% most deprived in England, in respect to geographical barriers to services. They act as a constraint to both social mobility and business investment (with consequent implications for productivity and growth).

Access to a good broadband service has long been an issue for those living and working in rural Herefordshire. The Fastershire project covers both Herefordshire and Gloucestershire in the delivery of faster broadband. The latest ThinkBroadband figures show that over 93% of properties in Herefordshire can access a superfast broadband connection, defined as 30mbps.

The economy and the environment are closely linked. The outstanding natural and historic environment of the Local Plan area contributes to the economy by making the area an attractive place to live, work and visit. Although the farming industry and other land based businesses of our rural areas employ a relatively small proportion of the population, the rural economy has a great influence on the landscape and active management of the countryside.

Agriculture is particularly important to the Herefordshire economy and there is a need to enable the sector to replace and erect buildings, structures and infrastructure to enable the business to grow, modernise and function efficiently. It is acknowledged that these buildings may need to be located in countryside locations. Across the County, there are a large number of farms and rural diversification schemes on isolated sites, which provide employment opportunities or which through investment, could provide new economic opportunities in the form of traditional B class industries, cultural or tourism activities. Rural estates present particular opportunities related to their long term management and diverse economic functions. Within the valuable Herefordshire countryside design, green infrastructure and appropriate screening should be utilised to reflect the location within the rural landscape.

Economic developments particular to the rural economy relate to larger scale developments such as polytunnels, intensive animal farming, sawmills, breweries and anaerobic digester units (AD Units). In the past 10 years, there has been an increase in the number of intensive animal farming developments. To meet environmental and welfare standards, poultry farms have transformed in nature, size, and operation. Many new developments have become larger to allow for this. More recently, proposals for new units on undeveloped sites have declined due to contract demands from the processing plants, therefore it is more redevelopment of existing sites that are in progress. It is important that development proposals for intensive animal agriculture should take into account of the local ecology and green infrastructure.

Evidence Base

- The Hereforfdshire Employment Land Requirements Study (2022) is currently underway, and will provide up to date information on the likely demands of different industry sectors in the county, along with recommendations on how the Local Plan can best support the county's economy.
- The Herefordshire's Joint Strategic Needs Assessment report indicates that agricultural has a higher than average representation in agriculture which currently stands at 12%. In the county and similar to elsewhere, intensive agriculture and development has over many decades degraded or destroyed habitats and led to a loss of biodiversity.
- The Wye Valley AONB Management Plan sets out the vision for the designated Area of Outstanding Natural Beauty (AONB), and the priorities for its management over a 5 year period. The Plan is a material consideration in the respective Core Strategies and Local Development Plans and for the Neighbourhood Development Plans. It also provides guidance to the local communities and many landowners, residents and visitors in the area.
- The Malvern Hills AONB Management Plan incorporates the views of a wide range of public, private and voluntary bodies and is the key document through which the AONB Partnership expresses its intentions for conserving and enhancing the special character of the area. It identifies the issues and challenges facing the special features of the area and contains policies and objectives which help address them.
- The Polytunnels planning advice guide is there to help potential developers prepare their planning applications. It assists in clarifying which types of polytunnel development requires planning permission, and highlights the planning policy issues and requirements such proposals will be expected to address. It expands upon and provides more detailed planning guidance on a number of relevant, but non polytunnel-specific Core Strategy policies.

- An Agriculture and Planning Supplementary Planning Document (SPD) is currently being drafted and will provide a checklist approach to agricultural development. The document is being drafted to address concerns over the relationship between some agricultural developments and the impacts these can have on the River Wye, whose water quality has significantly declined partly as a result of this activity over recent years.

Existing Policy

The current policy in the Core Strategy addressing support for the rural economy is RA6.

The policy is positively framed, and includes support for the provision of the development of rural business hubs, in appropriate locations. In summary, the existing rural economy policy covers the following areas:

- For agriculture, the policy supports proposals around food and drink production.
- Supports diversification of agriculture, rural businesses and services.
- Supports tourism development.
- Encourages the effective re-use of traditional buildings.
- Promotes the sustainable use of the environment.
- Military site retention.

The policy then sets out the criteria for rural diversification, which is expected to be a wide array of non-agricultural developments. There is no reference to agricultural/land based developments and what criteria might be needed to assess such proposals. Particular land based developments include food and drink production and sawmills, for instance.

Issues have been raised with the policy not being adequate enough to deal with very large agricultural buildings, horticultural developments, intensive poultry and livestock units and anaerobic digesters. There is a need to consider how new proposals are assessed, as well as redevelopments of existing sites. The farming industry is responding to new technologies and licensing permissions, that sees a wide variety of developments coming forward and this is ever-changing. Any new agriculture related policy needs to be future-proofed, and flexible enough to adequately determine diverse proposals. In light of the pollution issues affecting the River Wye and Lugg, scope for ecological betterment and gain should be a consideration within the policy.

There are concerns that the negative impact on the landscape is not considered enough and AONBs should be given more protection where such developments happen. Specifically relevant to the economy is the commitment to ensuring a future for agriculture by supporting farming which protects and enhances the natural and cultural environment. This can be achieved with both small and large scale developments. There is a need to consider rural areas in a wider sustainable way.

Rural Economy Policy Options

Option RE1- Update the rural economy policy to reflect changes to national policy

Continue with an updated rural economic policy to reflect the changes within the NPPF 2021. The broad policy approach of that in the existing Core Strategy would continue as a well-used and effective policy for the purpose of assessing new proposals in the countryside. Due to the rural nature of this policy, and the wide coverage of locally produced Neighbourhood Development Plans (NDPs), it could be a consideration that regard should be given to similar policies within made NDPs when formulating the final policy.

Option RE2- Update the rural economy policy as in option RE1, but include specific criteria for agricultural developments

Add in additional criteria to address agricultural developments which can better address how these proposals should be assessed for access, size, mass, scale, green infrastructure and ecology within rural landscapes.

Option RE3 Update the rural economy policy as in option RE1, and include a new separate policy specifically for large scale agricultural and land based developments

In addition to Option RE1, include a new policy, specifically with criteria to address agriculture developments which can better address how these proposals should be addressing access, size, mass, scale, green infrastructure, ecology within rural landscapes. Therefore resulting in two policies for the rural economy.