

Scotland's Rural College

Place-based policies and the future of rural Scotland

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Place-based policies and the future of rural Scotland

RESAS Strategic Research Programme Research Deliverable 3.4.2 Place-based policy and its implications for policy and service delivery

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Executive Summary

What is a place-based approach?

A place-based approach is a particular way of working at the local level. Local leadership and capacity are critical, combined with devolution of decision-making and resources, meaningful engagement by all stakeholders (including local communities) operating across sectors and levels of governance. Local authorities are important as a link between different governance levels and actors, and as organisations that have a good knowledge of the different challenges and opportunities facing their communities.

What is place-based policy?

Place-based policy is about more than the spatial targeting of resources, though such policies are often introduced in order to tackle economic, social and environmental challenges in a specific geographical location. The emphasis is on cross-sectoral, integrated working in ways which take account of, are tailored to, and seek to build on, the specific characteristics and assets of a place. Place-based policies provide the facilitating and flexible framework for place-based approaches. Place-based policy should be regarded as the domain of both national and regional/local governments, working in integrated ways, supporting one another, and crucially, recognising and incorporating peoples' everyday lived experiences in and of places.

How important is place in Scottish and UK policy-making?

Place has become more important in Scottish policy discourse over the last 10 years or so, including through the [2011 Christie Commission](#). Scotland's [National Performance Framework](#) emphasises principles of place-based working, including collaboration and partnership, cross-sectoral thinking and the importance of place. The Scottish Government's [Programmes for Government](#) from 2017-18 to 2021-22 all have 'place' as a core theme, making several references to the importance of 'place-based assets' and building the capacity of (place-based) communities. The [2021-22 Programme for Government](#), has a chapter devoted to describing 'An Economy that works for all of Scotland's People and Places', with sustainability, wellbeing and fair work at its heart. The Programmes also describe the various pieces of 'infrastructure' now in place to support national policy in being flexible and place-based (such as the [Scottish National Investment Bank](#), the [Social Renewal Advisory Board](#) and the [Place Based Investment Programme](#)). More specifically, for example, the [2019-20 Programme](#) committed the Scottish Government to test a tailored, place-based approach to providing integrated support for microbusinesses in rural areas.

The '[Place Principle](#)' was adopted in 2019 and the [2019-20 Programme for Government](#) introduced the related commitment to develop [Local Place Plans](#). The [2020-21 Programme for Government](#) recognises the opportunities brought by the pandemic to "*radically rethink the places we live in, our homes and communities*" and to put "*place at the heart of economic and green recovery*". [Scotland's Third Land Use Strategy](#) published in March 2021 also 'speaks to' the place agenda by describing policies spatially rather than sectorally. While not quite the 'policy package' approach advocated by the OECD (see Section 2), this does allow for complementarities (and indeed conflicts) between policies to be more visible.

Broadening the focus beyond Scotland, in the December 2020 Spending Review, the UK Government announced three new place-based funds (the [Levelling Up, Community Renewal and Community Ownership Funds](#)) which precede the launch of the Shared Prosperity Fund in 2022. These funds emphasise cross-departmental working within government and partnership-working and engagement at the local level, with local authorities having a key role, in identifying priorities and funding and delivering projects that address the needs of individual places. While

places and localities are clearly important to both the UK and Scottish Governments, there are differences in emphasis in terms of policy objectives; the UK Government places more emphasis on economic growth and increasing productivity to reduce economic inequalities, while in Scotland the focus is more strongly on sustainable, inclusive and just growth. Concepts such as 20-minute neighbourhoods, wellbeing and community wealth building are also important in Scottish policy dialogue. The emphasis placed on community empowerment, land reform and the review of local governance in Scotland in recent years demonstrates the principles of place-based approaches though there is a danger that the concept is becoming used as a catch-all for everything and that policy objectives may be blurred, especially at a time of pressure on public sector budgets. While the Islands (Scotland) Act 2018 represents a significant legislative commitment to place-based policy, questions remain regarding the extent to which all Scottish Government policies recognise and take account of the specificities of rural places.

Places matter, and place-based policy is about recognising that all places are different. But it is about more than place-sensitive policies, it is also about ensuring holistic, territorial rather than sectoral approaches to local development (so-called 'policy packages') and that there is partnership working and coordination between stakeholders at all levels. Support may be required for effective coordination to happen. Place-based policies must recognise and build on peoples' lived experiences of local places, so local people must have the capacity and voice to articulate these experiences. Local authorities are key for bridging national, regional and local levels and in facilitating local community engagement, but they must be effectively resourced to do so.

What does place-based policy mean for rural Scotland?

The [OECD's New Rural Policy](#) (OECD 2017) argues that policies must consider the specific characteristics of rural regions; there are no one-size-fits-all solutions. A move away from narrow policy approaches to 'policy packages' is encouraged as is the need to connect more effectively with communities' lived experience of local places.

The implications of EU exit and the Covid-19 pandemic will be far-reaching for Scotland's rural areas, with different processes, challenges and opportunities operating differently in different places. This emphasises more than ever the importance of place in both national/regional policy-making and in local level action.

Policy Challenges

- **Housing shortages and demographic decline**
- **Pressure on local service provision, especially health (including mental health) and social care**

Both during and after the pandemic, increasing numbers of people seeking to live in rural areas will push up house prices, causing further housing shortages and affordability issues for local people. An increase in population will also place pressure on local service provision.

During the pandemic, the impacts of travel restrictions are likely to have been particularly hard felt in rural places where populations are dispersed and distances greater, and where digital connectivity is poor or non-existent and people may already be experiencing isolation. It is possible that mental health services will be under particular pressure, prompting a need to increase the level of services available and to deliver them in new ways.

Policy opportunities

- **Reversing depopulation and out-migration**

- **More investment in rural digital infrastructure, connectivity and skills**
- **Increased ‘staycations’, increased opportunities for local businesses**
- **Mobilised community, voluntary and third sector groups, strong base for future initiatives.**
- **Increased focus on natural capital and the natural economy**

Changing behaviours and preferences as a result of the Covid-19 pandemic, with people seeking to move out of urban centres to work from home (or from ‘hubs’) in areas with more greenspace, may provide opportunities for some rural communities to reverse population decline and generate new business activities.

While the pandemic has highlighted the extent of the urban-rural digital divide, it may also act as a catalyst for more investment in rural digital infrastructure, connectivity and skills, thereby helping to increase the sustainability of some rural communities. There may be opportunities for rural places if restrictions on overseas travel remain and more people explore domestic tourism opportunities and choose ‘staycations’. This brings opportunities for local businesses, but also challenges in terms of demands on the local infrastructure from higher numbers of visitors. The pandemic has served to mobilise community, voluntary and third sector groups across rural Scotland to deliver essential services, including food and prescriptions. While this has brought tremendous challenges for these groups, it also serves as a strong base on which to build future, long-term, locally-led initiatives. An increasing recognition of the importance of natural assets in shaping future growth trajectories could provide many opportunities for new and existing rural businesses and communities in future.

These opportunities and challenges will affect different rural communities in different ways, making flexible place-based national and regional policy frameworks all the more vital to take account of the potential for greater diversity and even more differentiated futures. Taking account of local voices and experiences is critical and it may be that new mechanisms are required to do so effectively. Similarly, support (such as facilitation and relationship building) may be required for policy-makers at different governance levels to work together, and with local communities, in coordinated ways. Perhaps rural communities could be test-beds for new integrated, partnership-based approaches to tackle new challenges and take advantage of emerging opportunities? Scotland now has [one of the world’s only place-based pieces of legislation](#) in the Islands (Scotland) Act 2018 which also introduced Islands Community Impact Assessments (ICIAs), effectively to ‘islands-proof’ legislation i.e. to take account of the particular challenges of islands in policy, strategy and service decisions (including through consultation and community engagement). It is interesting to consider if there should be a similar formal commitment to rural proofing, including checking the applicability of key current policies such as 20 minute neighbourhoods, community wealth building and wellbeing, to rural places.

How does this research add to the existing evidence base?

Building on previous research undertaken as part of this project (see for example, [‘What is place-based policy and what implications does it have for rural Scotland?’](#) (Atterton 2017)), this paper provides some reflections on recent place-based policy research and place-based policy developments in Scotland. It then reflects on the opportunities and challenges arising for rural Scotland from the Covid-19 pandemic before concluding with a discussion of how place-based policies can best support rural Scotland to take advantage of opportunities and mitigate/eliminate challenges, to deliver a more sustainable, just, healthy and climate-friendly future. This paper provides important research and policy context for case study work on place-based policies and approaches which has been undertaken as part of this project. The report on this case study work will be available shortly.

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1 Introduction

The Covid-19 pandemic has brought tremendous challenges for all of society, not just our rural areas. However, more positively, it represents a chance to re-think some fundamental aspects of how society operates ([OECD 2020](#)), such as how rural areas can contribute to national growth, or how growth may be re-framed in broader wellbeing, social justice and net zero terms, rather than only in narrow economic terms.

For rural areas, the pandemic has opened up the possibility of even more differentiated future trajectories as migration trends, working patterns, public and private sector service provision, rural-urban connections and the role of voluntary, community and third sector groups (amongst other things) evolve to meet the changing behaviours and preferences of rural and urban residents. Arguably, this differentiation makes the need for national and regional level place-based policies combined with local place-based working all the more critical.

Building on our 2017 Working Paper exploring '[What is place-based policy and what implications does it have for rural Scotland?](#)' (Atterton 2017), this paper offers some further reflections on place-based policy based on our continuing work in [the 'place-based policy' project](#) and on research which has been published by others since our 2017 Working Paper (Section 2). The paper then discusses the importance of place in Scottish policy discourse since 2017 (Section 3), before moving on to briefly outline the potential opportunities and challenges arising for rural Scotland from the current pandemic in Section 4. With reference to developments around future funding for local development in both Scotland and the UK, Section 5 concludes the briefing by discussing how place-based policies can best support rural Scotland in taking advantage of the opportunities and mitigating (or better still, eliminating) the challenges, in order to build a more sustainable, just, healthy and climate-friendly future.

This paper provides contextual discussion for the report on the case study work and overarching themes to emerge from this project which will be published shortly.

2 Place-based policy: An update on current research and thinking

Highlights

- There has been a return to place-based working in Scotland recently, with an emphasis on cross-sectoral policy dialogue and holistic partnership working, and the involvement of communities, at local levels.
- The [OECD's New Rural Policy](#) (OECD 2017) argues that policies must take into account the specific (and often complex) characteristics of rural regions; there are no one-size-fits-all solutions. A move away from narrow policy approaches to 'policy packages' is encouraged; this will require coordination, perhaps with the support of dedicated institutions and/or incentives. It can be challenging for national governments to facilitate the bottom-up approach which is key for place-based working.
- Public (national and regional) policies and policy frameworks need to connect more effectively with communities' lived experiences of local places. Devolution and local leadership are critical, combined with meaningful community engagement ([British Academy 2017](#)). The role of local authorities is key in linking the different levels of governance and the different actors.
- Place-based approaches or place-based working refers to a particular way of working at local level (more than simply spatial targeting of resources), while place-based policy could be regarded as the domain of national or regional government. It is critical that the former is facilitated and supported by the latter, that the different 'levels' are joined up and work together, and that place-based policy at all levels recognises peoples' everyday lived experiences of and in places.

2.1 Introduction

As described in our first Working Paper from the place-based policy project ([Atterton 2017](#)), there has been a return to place-based working in Scotland in recent years, in particular through the work of the [Christie Commission on the delivery of public services \(2011\)](#) and the [Community Empowerment \(Scotland\) Act 2015](#). 'Place' also features strongly in the Scottish Government's recent Programmes for Government. Understanding of place-based policy in research, policy and practice has moved from a focus on the spatial targeting of resources in areas experiencing deprivation and/or inequality, to emphasis on a number of key principles guiding how activities should be undertaken in local areas, including dialogue across policy domains, engaging with communities, and holistic partnership working both within the locality and with external organisations and 'levels'¹.

In this section, further reflections are provided on the term place-based policy based on evidence published since our first Working Paper and our own developing thinking.

2.2 Recent research on place-based policy

In 2017 the OECD published its '[New Rural Policy: Linking up for Growth](#)' report (OECD 2017) which reflected on its place- and investment-based [New Rural Paradigm](#) from 2006 (OECD 2006). Based on a number of national rural policy reviews led by its Rural Working Party and Secretariat, and discussion at its regular rural policy conferences, the 2017 report set out the OECD's new

¹ The latter also links closely to the concepts of neo-endogenous or networked rural development - see for example: Lowe et al. (1995); Murdoch 2000; Ward et al. (2005) and Bock (2016).

approach to rural policy based on a number of dimensions, including integrating policy domains to address wellbeing dimensions, understanding complementarities between rural areas and cities, achieving a better understanding of the variety and diversity of rural places, and developing toolkits and policy dialogue (p.3). In implementing this new policy approach, the OECD (p.18) argues that: *“... policies must take into account the specific characteristics of each rural region, evaluating accessibility, amenities and assets, human and social capital, underlying geography and other salient factors. There are no one-size-fits-all solutions.”*

The report comments that in the majority of countries, policies are delivered by specialist agencies, departments or ministries that provide a narrow range of programmes nationally. However: *“This approach results in policies and programmes that do not vary by type of territory. Also, individual agencies have limited incentives to coordinate with each other in the policy design phase. Once delivered at the regional level, new policies and programmes can end up being incompatible, or worse conflicting.”* (p.18-9)

Referring back to earlier work (OECD [2012](#), [2013](#)), the [2017 report](#) argues that Governments should *“...frame interventions in infrastructure, human capital and innovation capacity, within common policy packages.”* (p. 19) This requires policy-makers to adopt a more strategic and inclusive approach, involving regular interactions with peers in charge of portfolios implemented in, or affecting, rural communities in order to design these ‘packages’. The report goes on: *“As it is highly challenging to achieve this level of coordination within the decision chain, the public sector needs to learn how to prioritise policy coordination.”* To facilitate this coordination, the OECD argues that there is a need for dedicated institutions to promote the exchange of information among different policymakers, in different sectors, and across levels of government (p.19).

According to the [OECD \(2017\)](#), there are further challenges for national governments in facilitating the more bottom-up approach which is key to place-based working. For example, in most countries, national governments continue to play the dominant role in rural development, often defining the menu of options for local levels of government. Funding from national government to local government is usually tied to specific purposes. Moreover, rural development continues to be relatively marginal in national policy making in many countries meaning that undertaking the coordination required, and influencing other policy domains such as health, education and economic development, can be challenging.

The [British Academy’s project on place-based policy making](#) which started in 2015 and reported in 2017 emphasised many of the same messages as the OECD’s work, though it was not specifically focused on rural areas and explored more qualitative aspects of how people experience places. Writing up the project’s findings, [Majevadia \(2017\)](#) recognised that people relate to (often many) different places at different scales and in different ways, but that public policy generally fails to connect with different experiences of place. Moreover, *“having a ‘sense of place’ depends on the lived experience and can be as small as a street, or as large as a city, county or region, and is by no means mutually exclusive between the two ends of the spectrum.”* Similarly, in our [first Working Paper from this project \(Atterton 2017\)](#), we argued that policy needs to recognise how rural peoples’ understanding of place and their sense of place is likely to differ from those living in urban areas, at least in part due to the geography of rural areas and how this affects peoples’ everyday lives. [Majevadia \(2017\)](#) continues: *“All of this has consequences for policy-making. How we organise local and regional policy has major implications for the vital services people rely on. This also raises tensions in how national policy is decided, interpreted and cascaded down to city and local authorities.”*

Echoing the OECD's conclusions, [the British Academy's evidence gathering](#) revealed a key frustration around the siloed nature of public policy-making. While evidence revealed a strong desire to work together amongst policy-makers, there was a lack of knowledge about how to do this in practice. The work argues that places can offer useful lenses to reconsider key issues and how to address them in coordinated and joined-up ways, and the crucial importance of national policy-makers delegating decisions to the local level. As [Majevadia \(2017\)](#) argues: *"Local leadership is best placed to consider the needs of the local population, and prioritise these weighty issues accordingly."*

A parallel report on the same British Academy project ([British Academy 2017](#)) noted the tendency for most policy to be 'place blind'. Whether it be education, health or economic development, etc., policies are simply rolled out to all places, irrespective of their characteristics and as if they were all the same. The Academy argues that at a time when many people feel increasingly disconnected from decision-makers and decision-making: *"... place offers a means of reconnection, more sensitive and appropriate policy-making, and better outcomes in terms of our individual and societal wellbeing.... place offers a lens through which to pursue better local solutions and joined up services than traditional top-down approaches would deliver. Yet it requires more than devolution to properly understand and reflect the importance of place."*

[The British Academy project](#) particularly emphasised the role of local authorities at the regional scale to provide a redistributive function, enabling policymakers to address the specific needs of local places without operating in a vacuum: *"A local authority should be able to devise local policy which meets the needs of their local populations by creating diversity not disparity of services."* Key recommendations from the Academy's work also focused on exploring new ways of meaningfully consulting with communities to better understand their experiences, and exploring long-term, strategic and integrated solutions where possible.

For the Academy, policymaking does not often enough capture the objective of improving or sustaining local assets, which should be at the heart of decisions around the future of places. In conclusion it argues: *"Place based policy-making offers some exciting new possibilities to reconnect public policy with our lived experience and the places and relationships we care about; and as a result, to deliver more meaningful and effective solutions. To achieve this requires, but is so much more than, devolution. We need to ensure that policies reflect the scale of places people relate to, and also the range of public interests in a place, which can include the interests of people who live outside the immediate area... We therefore urge the Government to pilot new approaches to place-based policy-making which go beyond devolution, develop pioneering approaches to involve local people, insist that national and local government work together to better understand places and what they mean to people, and to agree the best level to make decisions to achieve a new definition of productivity, centred on our collective wellbeing and committed to improving the quality of life for all."*

2.3 Concluding comments

In concluding this section it is worth summarising three points which are particularly key to this project on place-based policies and rural Scotland:

- First, the importance of **coordinating across policy domains** to move away from siloed approaches which may result in incompatible, or worse still, conflicting policies at regional and local level; the OECD describes the need for 'policy packages'.
- Second, the **key role of local authorities** in devising local policies to meet the needs of their population from the regional scale.

- Third, the importance of: (i) ***joining up national and regional public policy***, and then (ii) ***joining these with the lived experiences of people*** in their 'local' (however defined) places. For this to happen effectively requires all local voices articulating these lived experiences to be heard and taken account of. Again local authorities have a key role to play here.

More broadly, having a flexible national and regional place-based policy framework is critical to stimulating place-based approaches and working at local levels. This framework is difficult to get right, for all of the reasons discussed here, but critical to it is a commitment to cross-sector working by Government departments (and at local level), a recognition that all places are different, and a willingness and ability to devolve responsibilities and resources to local level where there is appropriate leadership and adequate capacity to engage fully in co-construction.

Reflecting on the situation in Scotland, certainly the refreshed [Cabinet Secretary and Ministerial portfolios](#) following the 2021 May election suggest a renewed commitment to joined up, coordinated policy-making and Government, but they also demonstrate the complexity of the current policy environment. The [Deputy First Minister's additional role as Cabinet Secretary for Covid Recovery](#), and especially the responsibility for the coordination of delivery and outcomes across all Scottish Government portfolios, will be critical.

As previously mentioned, place has become central to policy-making in Scotland recently, indeed when the Islands Bill was passed it was [described by Islands minister Humza Yousaf MSP](#) as "unique", and as "one of the world's first and only place-based laws". Community empowerment and land reform have also been key policy agendas for the Scottish Government for the past 20-30 years, a review of Local Governance is also being undertaken and there is funding and support available through various routes for community capacity-building. However, there is certainly more that could be done to break down policy silos and develop more holistic, integrated ways of working, and to ensure greater devolution to local levels. There is also a danger that place-based policy becomes used as a catch-all term for many different things, particularly at a time of public sector budgetary pressures, as local authorities are increasingly being asked to take on an ever greater role in rural socio-economic development².

Place-based policy is very definitely about more than simply geographical targeting of policies or resources. In fact, the approach of targeted funding has been criticised (mainly by economists) for (wastefully) redirecting resources to lower productivity regions rather than promoting wider economic prosperity³. If we accept the (spatial equilibrium) argument that people will tend to move to the 'best' regions, geographically targeted interventions (to reduce poverty for example) may simply slow this trend or trap people in 'uneconomic' regions, thereby damaging overall growth rates. This could be taken a step further and construed as an argument against investing in peripheral or rural regions - why should such investment be used to keep people living in marginal places when actually it might be more cost effective if people moved to urban areas where economies of scale are easier to come by and the costs of delivering services lower?

However, in addition to its questionable moral basis, this argument is founded on very outdated assumptions about rural areas and the extent to which they can generate their own growth and make a positive contribution to overall national growth. Many rural areas can do both of these things very well (for more discussion of this, see [Atterton 2016](#)). In fact, taking a broader and

² A discussion on the role of local authorities in local development in the Welsh context is available online here: [The Role of Local Government in Rural Development - Business News Wales](#)

³ Some of these arguments are rehearsed here: [Place based policies and spatial disparities: Lessons from Europe | What Works Centre for Local Economic Growth \(whatworksgrowth.org\)](#) and the literature review on which this piece is based.

deeper approach to understanding and implementing place-based policy actually provides a clear rationale for investing in rural areas - which are often asset-rich and provide ideal locations for cross-sectoral, holistic working - in different ways and using different mechanisms to those adopted in cities.

One example is national innovation policy, which is often deemed more appropriate for the spatial clustering of firms, institutions, human capital, etc. in urban centres, and thereby might even exclude or be to the detriment of rural firms (for more discussion see [Roper et al. 2006](#)). Instead, what is required is a **flexible national innovation framework** which allows for programmes, funding streams, support systems etc. to be applied differently in rural places compared to urban places to take account of the different characteristics of businesses and their communities, the different ways in which institutions operate, etc. If the framework does not allow for these differences, and an attempt is made to have the same innovation system model everywhere, this might actually hold back or damage innovation in some places.

Finally in this section, it is worth reflecting again on the spatial level of place-based policies. Are they the 'domain' of national or regional government because local-level policies are always place-based? Perhaps this is a helpful distinction, and one that relates back to the British Academy's argument that place-based policy is about public policy reconnecting with peoples' lived experiences, places and relationships which are helping to shape place-based working in local places; in short, *the national policy framework – or the OECD's policy packages - connecting with local lived realities.*

3 The place of 'place' in recent and current Scottish policy-making

Highlights

- Scotland's [National Performance Framework](#) demonstrates many of the key principles of place-based working, including collaboration and partnership, cross-sectoral thinking and emphasising the importance of place, and particularly inclusive communities.
- The [Scottish Government's Programmes for Government](#) from 2017-18 to 2021-22 all have 'place' as a core theme running throughout. For example, there are several references to 'place-based assets' and their role in revitalising and empowering communities, and the importance of building the capacity of communities and giving communities the ability to 'use their own assets, skills and networks to build and design services' ([2017-18](#), p.101).
- The Programmes describe the 'infrastructure' which has been put in place to support 'national policy in being flexible and place-based', including the Scottish National Investment Bank ([2018-19](#)), the Social Renewal Advisory Board ([2020-21](#)) and the Place Based Investment Programme ([2020-21](#)). The [2019-20 Programme](#) committed the Government to test a tailored, place-based approach to providing integrated support for microbusinesses in rural areas (p.67). The [2021-22 Programme](#) refers to the aim to create an economy that works for all of Scotland's people and places (p.12), the importance of revitalising communities through 20 minute neighbourhoods, investment in town centres and a new focus on place (p.14) and the £325 million Place Based Investment Programme supporting community led regeneration (p.14).
- The [2018-19 Programme](#) (p.92) specifically notes that the [Regeneration Strategy](#) emphasises the need for a sustained and coordinated place-based approach across the public sector and its partners, working with people and communities. This Programme also talks about the need to align national and local outcomes which will promote coordination within and between places and levels of governance.
- The [2020-21 Programme](#) recognises the opportunities brought by the pandemic to 'radically rethink the places we live in, our homes and communities' and to put 'place at the heart of economic and green recovery'.
- The 'Place Principle' was adopted in 2019 and seeks to encourage collaboration and community involvement and to promote a shared understanding of place. The [2019-20 Programme for Government](#) introduces the related commitment to develop [Local Place Plans](#).
- Scotland's [Third Land Use Strategy](#) (published March 2021) 'speaks to' the place agenda by taking a conceptual landscape approach to describe the relevant policy context in different geographical areas i.e. describing policies spatially rather than sectorally. While not quite the policy package approach advocated by the OECD, this does allow for complementarities (and indeed conflicts) between policies to be more easily seen.

3.1 Introduction

Having briefly summarised some of the recent literature on place-based policy and offered some further reflections on the meaning of the term in the previous section, the paper now turns to reflect on the importance of 'place' in Scottish policy-making since 2017, starting with 'metapolicy' in the form of the Scottish Government's National Performance Framework and its Programmes for Government, and then discussing the Place Principle and the recently published Third Land Use Strategy for Scotland.

3.2 The Scottish Government's National Performance Framework

Through its [National Performance Framework](#) (NPF) the Scottish Government aims to:

- create a more successful country
- give opportunities to all people living in Scotland
- increase the wellbeing of people living in Scotland
- create sustainable and inclusive growth
- reduce inequalities and give equal importance to economic, environmental and social progress.

Of particular importance to this project, central to the Framework is (one of the National Outcomes) that people *“live in communities that are inclusive, empowered, resilient and safe”*. The Framework also emphasises the importance of national and local government, businesses, voluntary organisations and people living in Scotland, working together. At ‘top-level’ in terms of Scottish Government policy, the NPF demonstrates some of the key principles of place-based policy in terms of collaborative working, cross-sectoral thinking and emphasising the importance of place, and particularly communities.

3.3 The Scottish Government's Programmes for Government

The Scottish Government's [Programme for Government in 2017-18](#) (Scottish Government 2017) particularly recognises the importance of place-based assets in rural Scotland and emphasises empowerment and capacity-building. In its section on ‘Rural economy: preparing for the future’, there is recognition of the importance of attracting investment to rural Scotland including through: *“...exploring how place-based collective endowments could be used to revitalise local, and particularly remote, communities.”* (p.63) More broadly, in terms of its aim of building a fairer Scotland, the Programme demonstrates one of the key characteristics of place-based working in emphasising the importance of capacity-building in communities: *“We want our communities to be genuinely empowered and inclusive, places where individuals and diverse groups can overcome social inequalities and go on to thrive in an open and tolerant society. By empowering individuals with a firm set of rights and the support of a genuine social security system and providing communities with the ability to use their own assets, skills and networks to build and design services, we can address many deep-rooted social and economic injustices.”* (p.101) This is also emphasised when the document outlines the plans for reform of the planning system including to give people a greater say in the future of their places...”. (p.106)

The following year, the [Programme for Government 2018-19](#) (Scottish Government 2018) again particularly focuses on new infrastructure, such as the Scottish National Investment Bank, processes of empowerment and capacity-building, and more explicitly addresses the importance of national policy being flexible and place-based. More specifically, the Bank is: *“focused on projects and investments that support inclusive growth, reduce carbon and sustain and create places.”* (p.44) As in the previous year, the emphasis is on supporting places: *“And whether urban, rural or island we know that with limitless ambition, and the right support, communities can develop and regenerate places and spaces where they live and make them even better.”* (p.47)

When discussing ‘Empowered and thriving communities’ this Programme notes: *“People, communities and place must be at the heart of sustainable and inclusive growth, so that economic benefits and opportunities can be spread and shared across Scotland’s people and communities. As we implement our community empowerment legislation, we will see alignment between national and local outcomes that will enable co-ordinated support across services and between places, at neighbourhood, town, city or regional levels, and a more joined-up, collaborative and*

participative approach to services, land, and buildings across all sectors within a place.” (p.91) This quote illustrates some of the core principles of place-based working – encouraging coordination across places and sectors, recognising the importance of different spatial scales, taking a more joined-up approach in places, and the importance of aligning national and local outcomes. It is argued that these principles are demonstrated in practice in Scotland’s Regeneration policy: *“Our Regeneration Strategy recognises that a sustained and co-ordinated place-based approach across the public sector and its partners, working with people and communities, is needed to address the deeply ingrained economic, environmental and social issues faced by some of Scotland’s communities. And community led regeneration delivers inclusive growth by supporting interventions which respond to local circumstances and increases opportunities to attract investment and jobs in those communities, while building community and regional cohesion.”* (p.92) Alongside this, the Local Governance Review (involving ‘Democracy Matters’ conversations with local communities), launched in 2018 by the Scottish Government and COSLA aimed to explore ways to devolve power to more local levels so that communities get a say in how services are run locally and: *“councils and public sector partners to have the powers needed to grow their local economies and increase the wellbeing of their communities”.* (p.92)

In [2019-20](#) (Scottish Government 2019, p.47), the Government’s Programme emphasises the role of local authorities and communities in ensuring a coordinated place-based approach in one particular policy domain (decarbonising heat and improving energy efficiency). The Programme contains more information about the Scottish National Investment Bank and introduces the potential for the Bank to fund projects on ‘place-making and local regeneration (p.67). Specifically in relation to rural, and building on the work of the [National Council of Rural Advisers](#), the Scottish Government committed to testing a place-based approach to integrated business support for micro enterprises operating in rural areas, in recognition of the different challenges that they face: *“The new approach will deliver flexible support that is tailored to the needs of the business and its geographical location.”* (p.67)

The [Programme for Government 2020-21](#) (Scottish Government 2020) is understandably focused on Scotland’s recovery from the Covid-19 pandemic. While it acknowledges the immense challenges that the pandemic has posed for Scottish society as a whole, it also recognises that there are opportunities to: *“radically rethink the places we live in, our homes and communities.”* The Programme describes the Government’s commitment to: *“put ‘place’ at the heart of economic and green recovery”* (p.45), including through a future Scotland and/or UK Shared Prosperity Fund (p.5) and sets out some changes to the planning system, including increased digitalisation, in order to: *“enable local people to play a more active role in the development and re-imagining of their places and create greater opportunities to influence positive change.”* (p.33)

The Programme includes some detail on the Social Renewal Advisory Board which has noted that: *“now is the time to add pace and focus to our place-based agenda, linking closely with our efforts to tackle the global climate emergency, and support a wellbeing economy. Building on the experience of COVID-19, we will work with local government to take forward our ambitions for 20 minute neighbourhoods”* (p.111). A number of other ‘place’ developments are noted, including the Place Based Investment Programme, the launch of new [Local Place Plans](#), the [Local Governance Review](#) and associated local democracy conversations, and commitment to explore the concepts of community wealth building and the 20 minute neighbourhood (see Section 5 for more discussion of these ideas). The Programme makes a commitment to undertake work with selected communities to shape legislative change and explore alternative forms of resource allocation and experience with new forms of decision-making (p.115).

The recently published [2021-22 Programme for Government](#) (Scottish Government 2021a) refers to the beginning of delivery of the Place Based Investment Programme, with £325 million

investment over the next five years. This will provide financial support and a focus for government, local authority and other sectors to facilitate, coordinate and deliver place based collaboration and action. Through repurposing of land and buildings, the investment will revitalise town centres, provide new space for local businesses and jobs, and support the resilience and wellbeing of communities across Scotland. The programme of investment includes the Regeneration Capital Grant Fund, funding that is allocated directly to local authorities and providing support to communities to shape local action to accelerate our shared ambitions for place, and 20 minute neighbourhoods (p.97). The Programme also sets out the Government's commitment to work with regional partners to ensure that every region has a Regional Economic Partnership. These will encourage strategic collaboration between key economic actors within regions, to make long-term place based decisions to enable sustainable, inclusive prosperity. Regional Economic Strategies and Recovery Plans will also be developed (p.70). there is also reference to National Planning Framework 4 which, amongst other things, will encourage a focus on place based outcomes (p.84).

To summarise, place has featured strongly in the Programmes for Government over the last five years. Without doubt the Programmes provide an indication of the Government's direction of travel in terms of recognising the importance and diversity of places, devolving decision-making to local levels, and giving local people a voice in shaping the futures of their communities. All of these 'principles' form the foundation of national legislative changes (such as [the Planning \(Scotland\) Act 2019](#)) and policies and programmes (such as the [Review of the Town Centre Action Plan](#) and the Place Based Investment Programme), which are designed to bring about improvements in specific local places.

3.4 The Place Principle

The Scottish Government and COSLA adopted the '[Place Principle](#)' in April 2019. This is a formal commitment and shared context for place-based work. The aim is that the Principle helps to *"...overcome sectoral and organisational boundaries to encourage better collaboration and community involvement, and improve the impact of combined energy, resources and investment. The Principle was developed by partners in the public and private sectors, the third sector and communities, to help them develop a clear vision for their place. It promotes a shared understanding of place, and the need to take a more collaborative approach to a place's services and assets to achieve better outcomes for people and communities. The Principle encourages and enables local flexibility to respond to issues and circumstances in different places."* Specifically in relation to collaboration across sectors, the Place Principle states that: *"A more joined-up, collaborative, and participative approach to services, land and buildings, across all sectors within a place, enables better outcomes for everyone and increased opportunities for people and communities to shape their own lives...."* In addition, the Scottish Government and COSLA state that they will: *"ensure that place based work at the local or regional level being led by Scottish Government and its agencies is taken forward in a way that is integrated between both levels of place and cognisant of all complementary work being taken forward in associated policy areas."* (Quotes all from [Place Principle: introduction - gov.scot \(www.gov.scot\)](#)).

A number of tools have been created to support the Place Principle, including the [Place Standard Toolkit](#) (to promote and support conversations about places), and the [Understanding Scottish Places](#) website which provides indicators to measure the health of places, including towns, across Scotland. More recently, [Scotland's Centre for Regional Inclusive Growth \(SCRIG\)](#) has been set up to drive improvements in inclusive growth outcomes across Scotland, recognising the different opportunities and challenges across Scotland's regions.

The [2019-20 Programme for Government](#) reiterates the commitment to the Place Principle and in particular the ways in which it can encourage: *"better collaboration and community involvement.*

It will help to make best use of resources and assets, improving the way that services within a place are joined up to increase their impact.” Linked to this is the commitment to develop Local Place Plans with partners and to pilot collaborative approaches across different sectors such as housing, transport and town centres (p.157). In March 2021, the Scottish Government launched its [consultation on the arrangements for Local Place Plans](#) which offer the opportunity for a community led, collaborative approach to creating new places. The Plans will offer local people the opportunity to become much more involved in planning and to influence the future development of their areas.

3.5 Scotland’s Third Land Use Strategy

There have been three Land Use Strategies published in Scotland, the first in [2011](#), the second in [2016](#) and the [third published in March 2021](#) (Scottish Government 2021b).

The Third Strategy does not contain any new policy proposals, and aims to be more accessible to everyone, not just those involved in land use. One way it has sought to achieve this is by taking a landscape approach to understanding land use, describing policies and actions happening on the ground. Therefore, [the Strategy](#) (Scottish Government 2021b), rather than discussing policies by sector, discusses them collectively in relation to a number of conceptual landscapes (e.g. peri-urban, fertile land, uplands, islands, etc.) to illustrate the effect of policies on the ground. This is an interesting approach which ‘speaks to’ the place-based policy agenda, particularly in terms of not viewing policies sectorally but rather spatially. Taking such an approach makes it much easier to see complementarities – and indeed conflicts – between policy domains, as well as being more accessible for local people in terms of seeing how different policies apply to their particular geographical areas. Perhaps this could be regarded as moving towards the OECD’s ‘policy packages’ approach. It will be interesting to see if the Scottish Government chooses to take a similar approach in future Land Use Strategies or indeed in other policy documents where this potentially would be appropriate, and also to see if anything is done differently as a result of this approach being taken in the document.

3.6 Conclusion

In summary, place and locality is certainly a strong thread running through the Scottish Government’s recent ‘meta-policies’ (including the NPF and Programmes for Government), reinforced by specific policy tools including the Place Principle and the commitment to develop Local Place Plans. Recent policies, such as the Regeneration Strategy and Scotland’s Third Land Use Strategy also demonstrate the importance placed on coordination between national and local government and between policy domains, and also the importance of working with communities. The importance of communities is also reflected in recent emphasis placed by Scottish Government on the community empowerment and land reform agendas. Where there is perhaps more work to be done is on increasing the coordination between governance layers and between policy domains, though the latter in particular may be encouraged through the [Cabinet Secretary and Ministerial portfolios](#) announced following the 2021 Scottish Parliament election, and the role of the [Deputy First Minister as Cabinet Secretary for Covid Recovery](#) with particular responsibility for coordinating delivery and outcomes across all Scottish Government portfolios. Providing additional support and mechanisms for rural communities to build their capacity and better articulate their voices, might be another area to explore, particularly enhancing the voices and capacity of the most disadvantaged and hard-to-reach groups.

The [Deputy First Minister's additional role as Cabinet Secretary for Covid Recovery](#), and especially the responsibility for the coordination of delivery and outcomes across all Scottish Government portfolios, will be critical.

4 What challenges and opportunities has the Covid-19 pandemic brought for rural communities?

Highlights

- It is generally accepted that the pandemic will lead to a movement of people out of urban centres to rural areas as more people work flexibly from home or work 'hubs' on a long-term basis (assuming good digital infrastructure, connectivity and skills); this may help to increase the sustainability of some rural communities and related services (e.g. schools).
- The pandemic has brought pressures for rural health services, particularly as rural populations tend to be older; but also opportunities in terms of increased digital service delivery.
- The impacts of travel restrictions are likely to have been particularly hard felt in rural places where populations are dispersed and distances greater, and where digital connectivity is poor or non-existent and people are already experiencing isolation. There are likely to have been additional pressures on local mental health services.
- There may be opportunities for rural places in future as restrictions on overseas travel continue and more people look to holiday domestically. This brings opportunities for local businesses but also challenges in terms of demands on the local infrastructure from high numbers of visitors.
- While the pandemic has highlighted the extent of the urban-rural digital divide, it may also act as a catalyst for more investment in rural digital infrastructure, connectivity and skills.
- The pandemic has served to mobilise community, voluntary and third sector groups across rural Scotland to deliver essential services, including food and prescriptions. While this has brought tremendous challenges for these groups, it also serves as a strong base on which to build future, long-term and locally-led initiatives.

This section briefly summarises the challenges and opportunities arising for rural communities as a result of the Covid-19 pandemic. These challenges and opportunities relate to all aspects of rural lives, including work arrangements, accessing public and private sector services, migration patterns and health and wellbeing⁴.

First, in terms of migration patterns it has been argued that the pandemic could lead to a rise in the number of people wanting to permanently move out of cities and live in rural places as working from home or from employment hubs becomes the 'new norm'. Moreover, people who perhaps would have previously chosen or been forced to leave rural communities to find work may now be able to stay by working solely or mostly from home. The pandemic experience has shown us that people no longer need to work (at least not permanently) from large urban-based office blocks and instead much more dispersed and flexible working arrangements are possible - assuming that employees have access to the right equipment and support (including digital infrastructure and health and wellbeing advice, for example). While some rural sectors/businesses are likely to have been negatively affected by the pandemic (such as tourism and food and drink) which may lead to job losses and out-migration, this in-migration of people may help to support vibrant and sustainable rural economies and communities, assuming that any negative effects (such as increasing housing demand leading to upward pressure on prices) can be mitigated. Further

⁴ The discussion in this section is based on a number of different reports, including: [Currie et al. \(2021\)](#), [OECD \(2020\)](#) and [Phillipson et al. \(2020\)](#).

research is needed to explore the extent to which these trends are occurring and in which areas – will only accessible rural areas benefit, or will more remote and island communities also experience an influx of people? How will rural-urban relations evolve differently in future?⁵

The pandemic has undoubtedly placed great pressure on local rural health services, which in many areas may be very limited (particularly in terms of critical care), especially when combined with the higher share of older people common in most rural communities and increased physical travel distances. This is a major reason why some rural communities exhibited such a strong negative reaction to visitors from outside the area coming in potentially with the virus (including at the start of the pandemic in Spring 2020 and during Summer 2020 when travel restrictions were eased), and thereby placing extra pressure on local services. Clearly there is a need to ensure that rural areas have appropriate health infrastructure (including health, testing and vaccination facilities) to ensure the safety of their (permanent and temporary) populations. At the same time, more positively, the shift towards more services being available online may mean they are accessible to more rural people (again, assuming they have the appropriate equipment, skills and connectivity) who otherwise might not have been able to access them due to physical distance.

The non-essential travel restrictions on everyday life are likely to have had a much greater impact in rural areas than in urban areas due to the physical distances involved and the dispersed nature of rural populations, workplaces, services, including shops, etc.. For example, some people may have had to increase their reliance on local food shops, where prices are often higher, while they were unable to travel to larger supermarkets. At the same time, some local shops were able to respond very positively by doing local deliveries and stocking produce direct from local farms for example. These impacts are likely to be particularly severe for those for whom physical meeting with friends, family and neighbours is no longer possible, and digital connectivity is difficult or even impossible due to poor broadband and/or mobile phone coverage. For these people, isolation and negative mental health impacts may be particularly severe.

In the short-term, the tourism and food and drink sectors have been particularly negatively impacted by the pandemic as a result of both the social distancing and physical travel restrictions which have been put in place. Some rural businesses have also experienced a shortfall in terms of overseas workers (likely also related to Brexit), while many rural workers have found that due to the nature of their employment in essential activities they have been unable to work safely from home.

More positively, it may be that the reduction in overseas travel for tourism will bring positive impacts for rural communities with more people exploring domestic tourism options, particularly in quieter rural areas. However, again, this activity needs to be managed appropriately and sustainably, including through collaboration across different sectors and actors at local level, so that rural communities do not experience negative impacts, including unmanageable numbers of tourists and accompanying added pressure on local health and other services including roads, paths, car parks, etc.. Again, more positively, the ability of existing and new rural businesses to adapt to changing behaviours, preferences and lifestyle choices (such as for the consumption of more locally produced food, or amongst urban dwellers for more direct selling and home delivery of fruit and vegetables, milk and meat from farms and other rural businesses) – alongside policy drivers such as meeting net zero goals through greener and more sustainable and inclusive growth - may present new opportunities for rural economies in both the short- and long-term.

⁵ There is already some evidence that urban to rural population shifts are occurring. See for example: [The pandemic property boom is pricing locals out of the British countryside | Jade Angeles Fitton | The Guardian](#); [Monday briefing: pandemic-fuelled housing boom breaks more records | | The Guardian](#).

The pandemic has clearly demonstrated the rural-urban divide in terms of digital access (both in terms of coverage, connection speed and reliability) and the (inadequate) skills of some rural people to get online. As socialising, work and school learning have all shifted online this has increased awareness of the poor connectivity of many rural people which has placed limitations on their everyday lives. Turning this into a positive, the pandemic may act as a catalyst for improvements in digital infrastructure and associated challenges such as a lack of skills and support, both for existing and potential new residents, which in turn may promote increased home working and new business and job creation in rural areas and new positive links for mutual benefit between rural and urban places.

While the pandemic has brought incredible challenges for rural areas, many rural individuals, neighbours, volunteers and communities have responded positively by mobilising in a very 'bottom-up' way to support local people during the restrictions, in particular through (formal and informal) practical activities such as prescription and shopping deliveries. And this is at the same time as such voluntary and community sector organisations have also been experiencing challenges related to the need for their volunteers - many of whom are older themselves - to self-isolate and shield and stay safe during the pandemic.

Scotland's rural communities will all have experienced the Covid-19 crisis in different ways as these challenges and opportunities have been experienced in varying ways (individually and in combination), in communities with different existing strengths and weaknesses – or different underlying levels of resilience and capacities⁶. Hence, there is arguably even greater need for more differentiated policy responses in future. After briefly describing some of the key current funding streams for local place-based development, the final section of this paper (Section 5) outlines how adopting place-based policies in support of place-based approaches at local level, will be absolutely critical to ensuring a sustainable future for Scotland's rural communities post Covid-19 pandemic.

⁶ [Currie, M. et al. \(2021\)](#) found five enabling factors of the underlying resilience of rural communities: community cohesion and in-built resilience; strategic partnerships and responsive service delivery; the role and responsiveness of community anchor organisations; responsive local businesses and services; and digital connectivity and upscaling online systems. Communities were also found to be vulnerable to Covid-19 for multiple and often inter-connected reasons: reliance on a few key industries; centralised service provision; limited digital connectivity; exposure to tourists; food supply issues; and ageing populations. However, stronger community bonds in many rural and island communities were felt to have increased their resilience due to effective community-based response strategies.

5 Concluding reflections on place-based policy and the future of rural communities in Scotland

Highlights

- In its December 2020 Spending Review, the UK Government announced three **place-based funds for places across the UK** ([the Levelling Up, Community Renewal and Community Ownership Funds](#)). These emphasise cross-Government Department working and collaborative, partnership-working at local level to identify priorities and deliver projects which address the needs of individual places. Local authorities have a key role to play in identifying priorities and in managing/delivering projects.
- **While places and localities are clearly important to both the UK and Scottish Government, there are differences in emphasis between the two**, with more focus in Westminster on economic growth and increasing productivity to reduce inequalities, while in Scotland the focus is more on sustainable, inclusive and just growth. Concepts such as 20 minute neighbourhoods, wellbeing and community wealth building have also become more important in Scotland recently, alongside longer-standing policy priorities including community empowerment and land reform.
- **Places still matter**, and place-based policy is about recognising that all places are different. But it is about more than place-sensitive policies, it is also about ensuring there are holistic, territorial rather than sectoral approaches to local development (requiring integration between policy domains, or the OECD's 'policy packages') and that there is partnership working and coordination between all stakeholders at all levels. Support may be required for effective coordination to happen, perhaps from individuals trained in facilitation, building stakeholder relationships, and even managing conflict.
- Place-based policies **must recognise and build on peoples' lived experiences of local places**, so local people must have the capacity and voice to articulate these experiences. Local authorities are key in bridging between national, regional and local levels and in facilitating local community engagement but they must be effectively resourced to do so.

Drawing on the recent work and our developing thinking on place-based policy which was discussed in Section 2, the importance of 'place' in Scottish policy discourse (Section 3), and the particular challenges and opportunities facing rural Scotland as a result of the pandemic (Section 4), this final section of the paper outlines how place-based policies might better support a more sustainable and resilient rural Scotland as it recovers from the pandemic.

First, it is important to 'take stock' of the current situation with regard to funding for, and approaches to, local development in Scotland. With regard to UK Government funding, three new place-based funds were announced earlier this year, the [Levelling Up, Community Renewal and Community Ownership Funds](#) for places (rural and urban) across the UK. The Levelling Up Fund will make £4.8 billion available for 'high value infrastructure' projects to 'level up opportunity' across the UK (with £4 billion for England, and £800,000 for Scotland, Wales and Northern Ireland). In the prospectus ([HM Treasury et al. 2021](#)), it is noted that the Fund brings together three Westminster Departments (the Treasury, Transport, and Housing, Communities and Local Government) to break down department-based silo-working, will enable a focus on the needs of individual places, and puts "*local stakeholder support at the heart of the mission*" (p.1). Priority areas have been identified, many of which are or have within them, substantial rural areas,

including the Scottish Borders, Dumfries and Galloway, Argyll and Bute, the Western Isles, and North and South Ayrshire.

Funding will be delivered through local partners, including local authorities, with the Scottish Territorial Office consulted in the assessment of relevant bids. Scottish local authorities are also being given capacity-building funding to support the development of their relationship with the UK Government for the purposes of the Fund. [The Prospectus](#) sets out the process by which MPs will be asked to back one bid for their area that they see as a priority, and emphasises the importance of bidding authorities consulting *with “a range of local stakeholders across the full geography of a place in developing their proposed investments for the Fund. Potential relevant local stakeholders and partners include local businesses, public transport providers, police and emergency services, community representatives, environmental representatives and universities and FE Colleges (FECs). Where relevant, bidding authorities should also consider how to reach stakeholders from harder to reach rural communities in formulating proposals.”* (p.6-7).

In parallel to the Levelling Up Fund, the [UK Government’s Community Renewal Fund](#) (Ministry of Housing, Communities and Local Government 2021) will provide £220 million additional funding in 2021-22 to help places across the UK prepare for the introduction of the UK Shared Prosperity Fund in 2022. The prospectus for this Fund ([Ministry of Housing, Communities and Local Government 2021](#)) recognises that all places are unique and have unique challenges requiring unique solutions based on harnessing local knowledge, expertise and social capital. The pilot projects to be funded in 2021-22 will empower communities in places to decide the best way to tackle local challenges.

In addition to these two funds, the third fund announced is the [Community Ownership Fund](#) which will empower communities by providing them with funding to take over local assets in support of the social wellbeing of local communities. Spending and activity across all three funds must be complete by 31 March 2022.

While waiting for further information to come out from the UK Government on the Shared Prosperity Fund, the Scottish Government published its own proposals for Scotland’s share of the EU’s structural and social funds ([Scottish Government 2020b](#)), which are clear in saying that the funds should be extended to include a replacement for LEADER. The Scottish Government has also committed to extend LEADER funding to the end of 2021.

The Scottish Government has also designated £3 million of funding to test future approaches to Community Led Local Development (CLLD) in rural and island communities in 2021-22. The [‘Rural Communities Testing Change’ Fund](#) launched with two tranches. The first (totalling £1.5 million) is targeted at LEADER Local Action Groups to enable them to build on the positive legacy of LEADER and to use their experience to properly innovate and test change. The second is called the ‘Rural Communities Ideas into Action Fund’ and is a £1.5 million investment to encourage and support innovative approaches to CLLD in rural communities across Scotland. For the latter, grassroots community groups can bid for small grants (up to £3,000) and large grants of between £3,001 and £50,000.

While there are differences in emphasis between the UK and Scottish Governments, not least with regard to the importance placed on productivity and economic growth, alongside inclusive and sustainable growth and a transition to net zero, the Levelling Up, Community Renewal and Community Ownership Funds all place emphasis on the role of local stakeholders – and particularly local authorities – in identifying priorities and building collaborative and partnership-based projects to tackle those priorities. While some of the rationale around the Levelling Up Fund in particular is reminiscent of earlier understandings of place-based policy which focused on spatial targeting of funding in areas of disadvantage (targeting interventions and money to tackle

'a problem'), the design of it is much more aligned with current understandings of the term place-based policy, including cross-central government engagement and the encouragement of local partnership working to identify priorities and to deliver projects. Also interesting is the emphasis placed on capacity-building funding to build the relationship between local authorities and their places and the UK Government.

Just by way of further demonstration of the differences in emphasis between the Westminster and Scottish Governments in terms of local development, it is worth noting three other agendas which are prominent in these policy discussions in Scotland. The first is the concept of [Community Wealth Building](#) (CWB) which is a new people-centred approach to local economic development which redirects wealth back into the local economy (rather than allowing it to flow out), and places control and benefits into the hands of local people, ensuring that local economies are fairer and that more people can take control. In the [2020-21 Programme for Government](#), the Scottish Government committed to exploring how CWB as an approach can deliver inclusive growth across Scotland, with a commitment to six key projects, including in Ayrshire as part of the Ayrshire Growth Deal. In the recently published [2021-22 Programme](#), there is a specific commitment to take forward a CWB Bill in this Parliament in order to enable more people and communities to own, have a stake in, access and benefit from the wealth our economy generates (p.83).

The [Scottish Government has also expressed its ambition to deliver 20 minute neighbourhoods](#). This is a place-based approach to enable more local living and to enhance the wellbeing of people and the planet. The pandemic has highlighted the importance of local places for people's health and wellbeing. The 20 minute neighbourhood concept is based around the idea of higher density mixed use development, which includes green space, a range of housing types, public transport and active travel. The higher density leads to critical mass which can support local services and amenities to achieve a mixed use area that can help to reduce care usage. It is recognised that 20 minute neighbourhoods may be difficult to implement in rural areas where distances to travel are greater and the density of housing, services, etc. much lower. In such cases, [Sustrans argues](#) that public transport links between villages will be critical so that one destination can meet the needs of several communities. There may also be innovative ways of achieving rural 20 minute neighbourhoods through creative uses of online and digital service provision, including through drawing on any lessons learned during the Covid-19 pandemic.

Third, it is perhaps also worth noting the ongoing work around wellbeing, including by the [Wellbeing Alliance](#). Here the focus is on transforming the economic system into one which delivers social justice on a healthy planet. The [Wellbeing Economy Alliance Scotland](#) (WEAll Scotland) has recently published a '[Wellbeing Economy Policy Design Guide](#)' which provides how to advice for policymakers at all levels of Government. This Guide is being looked at by [Scotland's Centre for Regional Inclusive Growth](#) and it places a focus on the role of local context when thinking about wellbeing.

Having briefly outlined key recent developments with regard to UK Government funding and some of the current concepts that are important in policy debates in Scotland regarding local development, this conclusion briefly returns to the key principles outlined in the briefing to offer some suggestions for how place-based policy can support rural communities in Scotland to be more sustainable, inclusive and resilient after the pandemic.

The key point to start with is that place-based policy is based on a fundamental recognition that all places are different, i.e. there can be no one-size-fits-all solutions. Places still matter; they are where services are delivered, assets are situated, and people go about their everyday lives, helping to shape their identities. Places are also where governance exists of one form or another.

In rural areas, these things are all organised, experienced and negotiated differently to urban areas, thus the response of national, regional and local governments will also need to be different. But we can go one step further than that and, even if we accept that rural development policy is place-based in that it targets particular geographical areas, that in itself needs to recognise spatial variations as rural places are so heterogenous – and may be increasingly differentiated in future as peoples’ migration patterns change and impact different rural areas in different ways, and as our working and social lives change in myriad different ways over different timescales as a result of the pandemic, and as organisations respond in different ways in different places. Some rural areas may need little policy intervention at all in future, perhaps those areas in close proximity to urban centres with diversified economic bases – or in these instances the most appropriate intervention may be to focus on increasing linkages with urban centres for mutual benefit. Other areas, including those with narrow and fragile economic bases and those which have been suffering from long-term population decline may be more likely to require policy intervention, for example to generate local growth through the encouragement of new businesses⁷. As such, [‘policy packages’, as advocated by the OECD](#), may increasingly be required, offering a number of different options to ensure interventions can be appropriately tailored to different localities.

The ‘policy packages’ term can be used in another sense too, to refer to packages consisting of policies from different domains which are coordinated and complementary, ideally starting from the design phase. This would be in contrast to the usual siloed approach by national policymakers and avoid situations where policies, once implemented at local level, are incompatible or, worse, conflicting. An approach like that taken to describe the ‘package’ of policies relevant to different landscapes in the Third Land Use Strategy is interesting, and the 20 minute neighbourhood concept requires an approach which takes into account all service provision in an area.

As recognised by the OECD, [dedicated support may be required](#) to ensure that information exchange happens, and that coordination is prioritised. It may also be required to help support rural policy-makers to demonstrate the importance of rural areas and their specific challenges and opportunities to policy-makers across different domains, including transport, housing, economic development, health, etc. As the [British Academy’s work](#) revealed, there is a desire amongst policy-makers to work together and perhaps rural places can offer ideal lenses through which to build coordinated responses to tackling the challenges and maximising opportunities that arise from the Covid-19 pandemic. Here, respected and trusted local leaders and/or community anchor organisations will be critical.

A second key point to make is that understanding and building on peoples’ lived experiences of local places, which may be at a variety of different scales, is critical when designing policies at national and regional levels; these policies cannot simply be transferred to local levels without understanding the lived experiences of all local people and ensuring that policies are sensitive to these (often complex) experiences. As mentioned by the [British Academy](#), this requires: *“more than just devolution to properly understand and reflect the importance of place,”* it requires new approaches to involving communities, new ways of national and local government working together, based on understandings of what places mean to people, and a reformulation of objectives focused on wellbeing and improved quality of life for everyone (thereby ensuring that even the ‘quietest’ voices are heard from the most hard-to-reach groups). Some of the partnership and coordinated working that has emerged during Covid-19 (including between community groups, and between the community and public sectors) might provide some useful learning here.

⁷ In fact, it may be that revisiting the ‘simple’ classification of urban and rural Scotland based on population density and distance to urban centres may be appropriate, with a move towards one which recognises assets, opportunities and challenges, and interlinkages between places, including flows of people ([OECD 2017](#)).

Moreover the flexibility of funding available during the pandemic to enable quick responses and more joined up working has been key (particularly as this helps to reduce the chance of competition between actors for limited funds). Learning from the £3 million [Rural Communities Testing Change Fund](#) (running until March 2022) will also be important here.

Third, perhaps a revisiting of the role of local authorities in place-based policies is required, as advocated by the [British Academy](#), particularly in the light of the key role envisaged for them in identifying priorities and bidding for the [UK Government's new Funds](#). Designing the policy packages should ideally be a task undertaken jointly by national and regional/local government, rather than solely by the former, with the latter also listening to and incorporating the voices of local communities. There is a strong argument that local government should act as the enabling bridge between national and local levels, as well as a facilitator of local level engagement, but of course it needs to be resourced to be able to do this effectively. In fact, [Community Planning Partnerships](#) should be able to provide a coordinated voice at local level, based on meaningful consultation with communities, to decide which priorities and approaches would be most appropriate for their local area and why.

This joint design process would avoid a situation where inappropriate policies are simply cascaded down to regional and local levels in inappropriate ways; instead the process would be a more equal one with knowledge from different sources being equally respected and exchanged in two directions, both 'up' from the local level and 'down' from the national and regional levels. As explored earlier, the knowledge from the local level must include information on the lived experiences and identities of **all** local people⁸. In this way, place becomes the new lens through which to reconsider often complex issues in more sensitive and appropriate ways, and to decide how to address them in coordinated ways. As we have argued here, the term place-based policy refers to the ways in which national and regional policies relate to local places (i.e. they can be shaped to be 'place-specific') and the extent to which these policies facilitate and support local cross-sectoral and holistic working between multiple actors. Putting communities at the core of future policy design is needed to achieve long-term, sustainable, resilient and positive local rural development.

⁸ Where this does not happen is one of the risks of place-based working – that some voices are excluded, combined with the risks of parochialism, conflicts and democratic deficit at local level where unelected 'elites' determine what does and does not happen locally. These risks may be especially likely to occur in places where capacity is lacking to catalyse inclusive and fair development processes (for more discussion of these risks see [Reimer and Markey \(2008\)](#)).

6 References

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