

**LANCASTER VISION**

**LANCASTER DISTRICT RURAL  
BASELINE: WORKING PAPER**

**Final**

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## 1. Key points

- 1.1 Defining what areas are “rural” is not straightforward. Outside Lancaster and Morecambe all parts of the district are, to some degree, rural in nature. Some are semi-rural, containing settlements such as Boulton-le-Sands and Carnforth. Others are more sparsely populated traditional rural areas such as Lune Valley and Silverdale. In this Paper we deal with this by defining two geographies:
- **Rural Lancaster** – includes all non-urban wards, both rural and semi-rural in Lancaster district
  - **Agricultural Lancaster** – only includes rural wards, which in Lancaster district are to some degree traditional rural areas where agricultural employment is still to some degree significant (includes all wards defined as sparsely populated by ONS with the exception of Overton).
- 1.2 Taking the broader definition of Rural Lancaster District, the differences across its wards are, in many respects, greater than those between all rural and all urban areas – calling into question the value of trying to assess rural areas in Lancaster district in any collective sense. Different parts of the rural area have different functions and relationships to Lancaster and Morecambe and indeed to surrounding districts.
- 1.3 All wards in Rural Lancaster account for:
- Around 25% of all residents of the district (if students at the University are not classified as living in a rural area). Population appears to have been rising particularly rapidly in the district’s rural areas.
  - Around 18% of employees in employment work in rural Lancaster (rising to 27% if jobs in Ellel ward which includes the university is included).
- 1.4 The rural area is a significant source of labour for urban areas and surrounding districts. The majority of those living in the rural areas travel into urban Lancaster or Morecambe or outside the district altogether for work. It would be misleading, however, to see the rural areas as purely the commuting hinterland for Lancaster and Morecambe. They link as much to surrounding districts as well as having an economic life of their own. A large minority of workers who live in rural Lancaster also work there.
- 1.5 Overall, the economy of the broad rural area is very mixed and the differences in structure across the rural area are as great as those between urban and rural areas (the figures listed below refer to rural based jobs):
- There is relatively little employment in public administration, health/education and financial business services (even so these sectors accounted for around 2,700 jobs in 2003 or 27%) (Excluding the University and employment in Ellel ward)
  - There is significant employment in distribution, hotels and restaurants (2,800 or 29%) which is slightly above the district average
  - Perhaps surprisingly, there are significant levels of manufacturing, construction and transport (around 3,000 jobs) and these are more concentrated than the rest of the district
  - Agriculture is far more relatively important than the rest of the district, but still only accounts for 6% of jobs held by local rural residents (and 6% of jobs in the area). In Agricultural Lancaster this share rises to 13% of all jobs.

- 1.6 Although rural areas have little significant concentrations of deprivation and low rates of unemployment, there is very large earnings gap. Average earnings for those living in the districts rural areas are 31% higher than those paid to those working in rural areas. This means that there clearly is the potential for a serious housing affordability issue, as there is in many rural areas, for those who both live and work in the rural areas. This is especially so in Agricultural Lancaster.

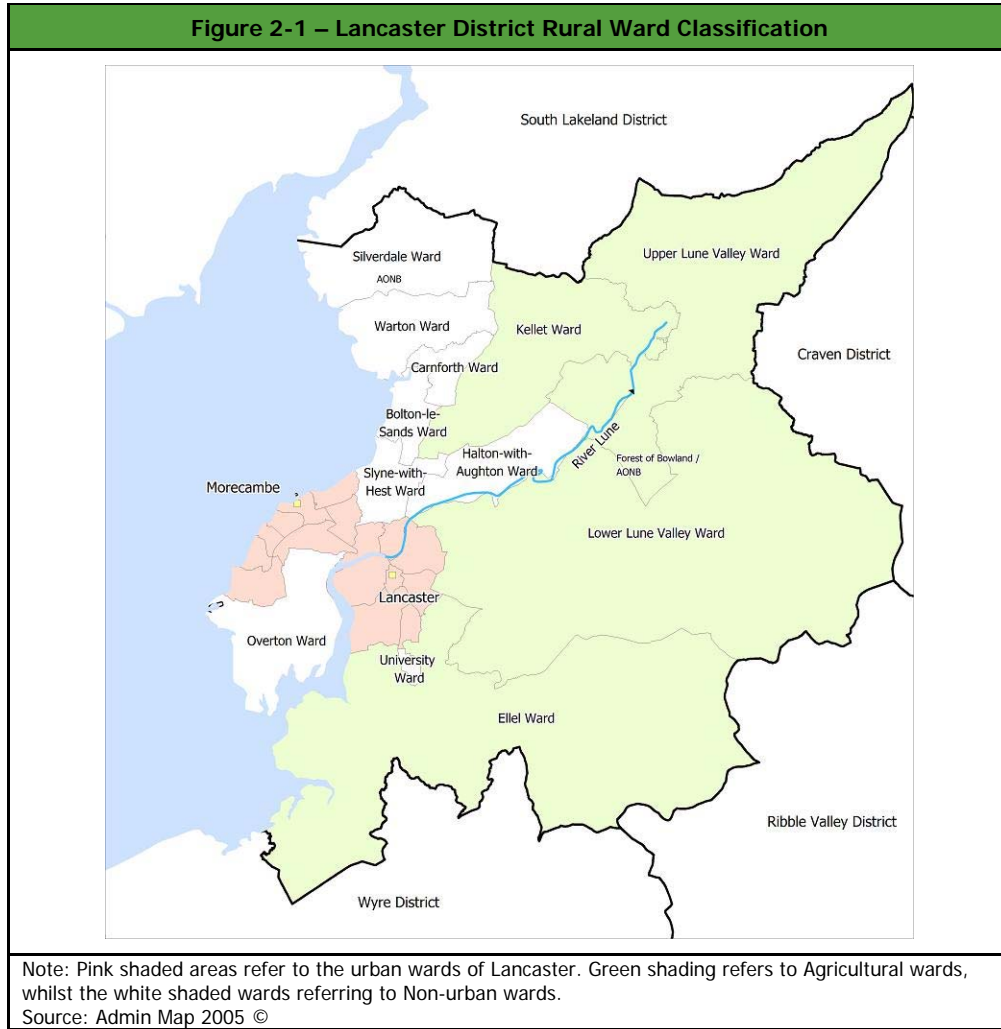
## 2. Defining Rural Lancaster

- 2.1 This Paper sets out a short baseline of the economy of rural parts of Lancaster district and specifically the economic activity that takes place within it. The area of **Rural Lancaster** is defined on a ward basis using the new Urban and Rural Classification (2004) which was designed by the Office of National Statistics (ONS), ODPM and other partners, and is now used as standard for urban and rural analysis<sup>1</sup>. This defines areas depending on their settlement pattern and then their context. We have used a deliberately broad definition of rural to include all non-urban areas – in effect all parts of the districts which are not parts of Lancaster or Morecambe<sup>2</sup>. This definition of rural areas therefore includes some significant settlements such as Carnforth as well as rural areas which are immediately on the fringe of the main urban areas.
- 2.2 Rural Lancaster, set out in Figure 2-1 below, comprises 11 of the 27 Lancaster district wards for which Census information is available. Data for the district's 28<sup>th</sup> ward, the University ward, is not available separately and is included for statistical purposes in the rural ward Ellel. Residence and employment at the University is therefore included in this rural area. With this in mind, unadjusted figures for the rural economy should be treated with caution.
- 2.3 Rural Lancaster comprises four main areas:
- Heysham & Estuary area – a small rural pocket south of Morecambe (Overton ward)
  - North Lancaster District (including Carnforth, Silverdale and Arnside) – area includes small villages and several towns which have been included in the Market Towns Initiative and the Area of Outstanding Natural Beauty (AONB) at Silverdale
  - Lune Valley/Forest of Bowland – this area contains Lancaster's other AONB
  - The Coastal Strip towards Wyre District (Ellel ward) – flat, traditionally arable farming land.
- 2.4 Of these wards, only Upper and Lower Lune Valley, Kellet and Ellel exhibit what are often seen as "typical" rural characteristics of a relatively important agricultural sector and are collectively termed **Agricultural Lancaster**. These coincide with those wards which are classified as sparsely populated by ONS, with the omission of Overton where agricultural employment is marginal.
- 2.5 These geographical definitions are set out on Map Figure 2-1. Urban Lancaster and Urban Morecambe are shaded in red. All areas outside of these (white and green) are classified as Rural Lancaster. These four wards are defined as 'Agricultural Lancaster' and highlighted in green.

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<sup>1</sup> <http://www.statistics.gov.uk>

<sup>2</sup> The wards of Bolton-le-Sands, Carnforth, Ellel, Halton-with-Aughton, Kellet, Lower Lune Valley, Overton, Silverdale, Slyne-with-Hest, Upper Lune Valley and Warton



### 3. Population and demographics

- 3.1 There were 38,500 people living in rural Lancaster in 2001<sup>3</sup>, almost 30% of the district total. Over 75% (29,000) of the total rural population are classified as of working age. The rural population however includes approximately 4,000 economically inactive students and a further 1,200 full time students<sup>4</sup>. This equates to approximately 18% of the working age population of rural Lancaster and 13.5% of the overall rural population. Non-student population in rural Lancaster accounts for 86.5% of total residents (33,300).
- 3.2 Rural Lancaster accounts for approximately 30% of Lancaster's total population. However in terms of students and retired residents rural Lancaster has a higher share of these groups amongst its population. Over a fifth of its residents are classified as retired, whilst 14% are classified as students. In comparison to urban part of Lancaster district, retired residents account for 19% of the population with students accounting for just 8%. The higher proportion of students within rural Lancaster can be attributed to the Census allocating University ward statistics to the Ellel ward. Excluding the students in Ellel ward, the rural population is 25% of the total district population.

Table 3-1: Age Breakdown of Rural Lancaster Population, 2001				
Age	Rural Wards	% Share of Population	Urban Wards	% Share of Population
Age 0-9	3,678	10%	11,326	12%
Age 10-15	2,550	7%	7,380	8%
Age 16-17	840	2%	2,513	3%
Age 18-24	5,432	14%	11,024	12%
Age 25-34	3,886	10%	12,635	13%
Age 35-44	5,006	13%	12,988	14%
Age 45-54	5,280	14%	11,558	12%
Age 55-64	4,723	12%	9,262	10%
Age 65-74	3,828	10%	8,396	9%
Age 75+	3,340	9%	8,277	9%
<b>All People</b>	<b>38,563</b>	<b>100%</b>	<b>95,359</b>	<b>100%</b>
Retired	8,085	21%	18,084	19%
Students	5,237	14%	8,023	8%
Source: ONS Census 2001 © Crown Copyright				

<sup>3</sup> Census 2001.

<sup>4</sup> Economically Active full-time students are classified as those students who have indicated that they are a student in full-time education, and who are in some form of employment or economic activity (e.g. part-time work whilst studying full-time). Those students who are classified as Economically Inactive in the Census are those who were studying but were not in employment or in any other form of economic activity when the census was undertaken.

3.3 Table 3-2 highlights population change over the last decade in Lancaster. Rural Lancaster's population defined in the table by two spatial typologies: Agricultural Lancaster and Rural Lancaster (which includes Agricultural Lancaster). The population of Agricultural Lancaster increased by 33.5% (4,300) whilst the overall Rural population has increased by 32.4% (9,400) over the decade. Growth in rural areas is associated with growth in student numbers over this period (+3,600). Non-student residents increased by 5,800 (21%) in the whole rural area, whilst they increased by 6.3% in Agricultural Lancaster. Nevertheless, this is still faster than the non-student district population growth of 5.3%.<sup>5</sup>

<b>Table 3-2: Rural Lancaster population change (including non-student population), 1991-2001</b>				
<b>Area</b>	<b>Total Population 1991</b>	<b>Total Population 2001</b>	<b>Change</b>	<b>% Change</b>
Agricultural Lancaster	12,683	16,937	4,254	33.5%
Rural Lancaster	29,091	38,528	9,437	32.4%
All Lancaster	123,856	133,914	10,058	8.1%
Student Population of Agricultural Lancaster	799	4299	3,500	438.0%
Student Population of Rural Lancaster	1,539	5183	3,644	236.8%
Student Population of Lancaster	9,049	13060	4,011	44.3%
<b>Non Student Population of Agricultural Lancaster</b>	<b>11,884</b>	<b>12638</b>	<b>754</b>	<b>6.3%</b>
<b>Non Student Population Rural Lancaster</b>	<b>27,552</b>	<b>33,345</b>	<b>5,793</b>	<b>21.0%</b>
<b>Non Student Population Lancaster</b>	<b>114,807</b>	<b>120,854</b>	<b>6,047</b>	<b>5.3%</b>
Agricultural Lancaster Share of Total Non-Student Population	10.4%	14.0%		
Rural Lancaster Share of Total Non-Student population	24.0%	31.9%		
Source: ONS Nomis, Census of Population, 1991-2001 © Crown Copyright				
Note: comparisons over time need to be treated cautiously due to boundary changes				

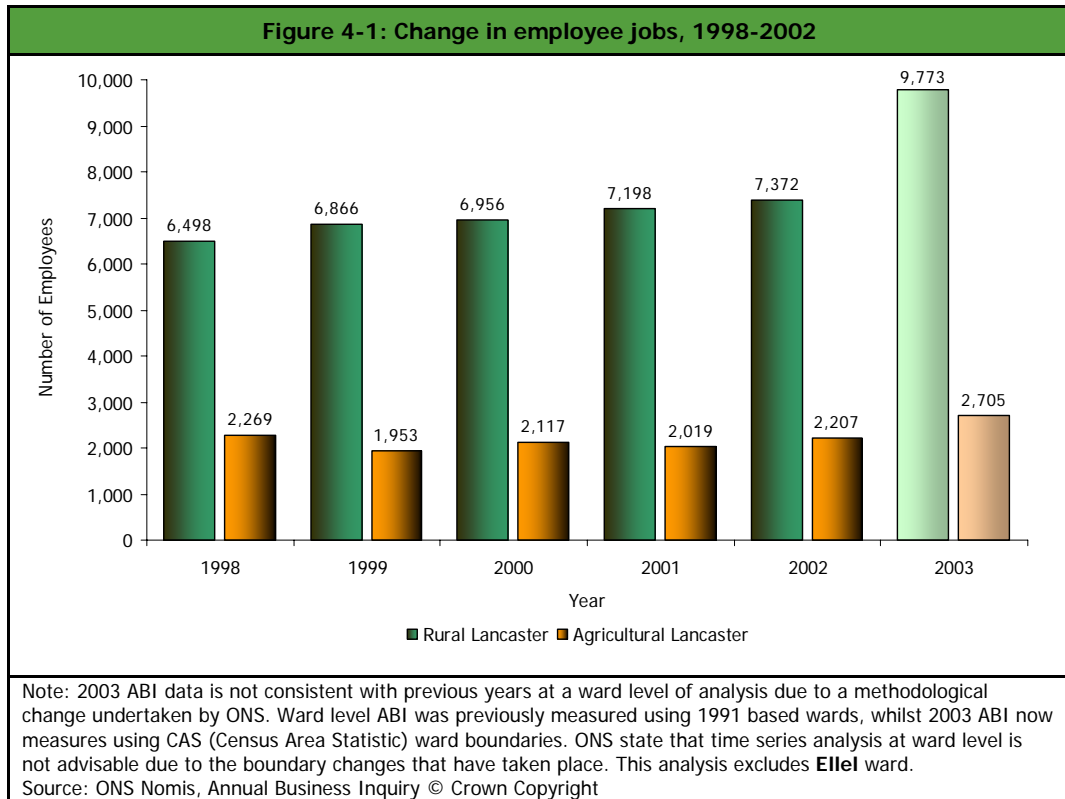
3.4 The number of residents of rural wards in employment was 16,800 in 2001 (44% of total population including students). Almost half of these (7,100 or 43%) do not leave rural Lancaster to work. Around a third (5,605 or 33%) work in urban Lancaster or Morecambe while just almost a quarter (4,000 or 24%) commute outside of Lancaster district. This is significantly higher than the district average where approximately 17% of Lancaster district residents commute to work outside of the district.

<sup>5</sup> Although there have been ward changes between 1991 and 2001 Censuses the actual composition of rural Lancaster in **totality** has remained the same. Even though ward boundaries may have changed within rural Lancaster analysis of the total rural area of the district is possible.

<b>Table 3-3: Travel to work patterns of Lancaster Rural residents, 2001</b>		
<b>Workplace</b>	<b>Rural Residents</b>	<b>% of Rural Residents in Work</b>
Rural Area Workplaces	7,134	42.6%
Urban Lancaster Workplaces	3,751	22.4%
Urban Morecambe Workplaces	1,854	11.1%
Outside of Lancaster District	4,025	24.0%
<b>Total</b>	<b>16,764</b>	<b>100.0%</b>
<b>Source:</b> ONS Census 2001, Origin & Destination data. © Crown Copyright		

## 4. Economic activity in Rural Lancaster

- 4.1 Employment based in Rural Lancaster has grown at a slightly faster rate than the district as a whole since 1998. No growth is evident in Agricultural Lancaster, due in part to decline in agricultural employment. In 2003, employment within rural wards was approximately 9,800 excluding Ellel ward (which includes data for the University), or 14,600 including Ellel ward. This represents 18% to 27% of total jobs in Lancaster. Agricultural Lancaster accounts for 2,700 jobs or under a third (27%) of the narrow definition of the rural economy employment.
- 4.2 In terms of employment growth it is only possible to analyse employment data from 1998-2002 (see note in Figure 4-1). Rural Lancaster (excluding Ellel ward) has experienced an increase in employment of approximately 900 people (14%), with the greatest increase in employment taking place between 1998 and 1999. This is slightly higher than the district job growth over 1998-2003 (12%). Agricultural Lancaster has seen no employment growth overall over the period to 2002.



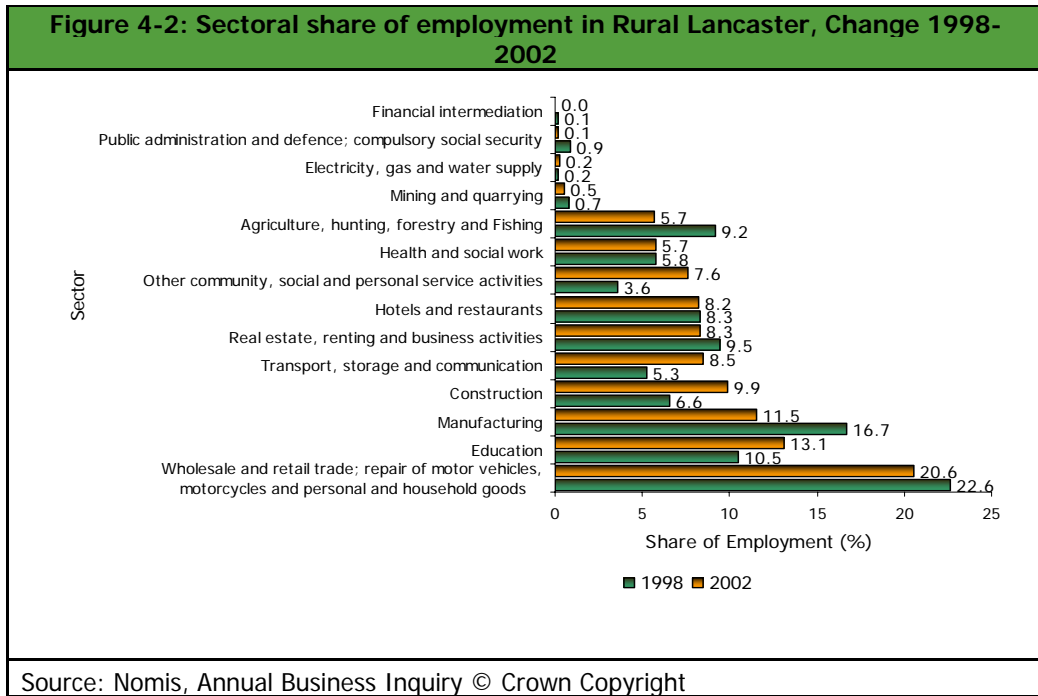
### The nature of economic activity

- 4.3 The overriding feature of Rural Lancaster's economy is its relative diversity. This reflects the location of significant employers and employment areas in our broad definition of rural wards. At a broad level compared to the district as a whole:
- The rural areas have, as would be expected, far more agricultural employment (6% of all employees compared to 1% for the whole district). However, agriculture in all but a few rural wards is very much a minority activity.
  - The rural areas are relatively unrepresented in energy, financial/business services and public services (the latter two sectors tend to be urban focused).

- They have a significant representation in manufacturing, hotels/catering, retail and construction.
- However, there is no strong concentration of tourism employment in the district's rural areas if we take employment in hotels and catering as a proxy for tourism activity. Employment in hotel and catering rises to 11% of all residents of Ellel ward in 2001, but is not markedly higher than the overall district average of 7% in any of the other rural wards.

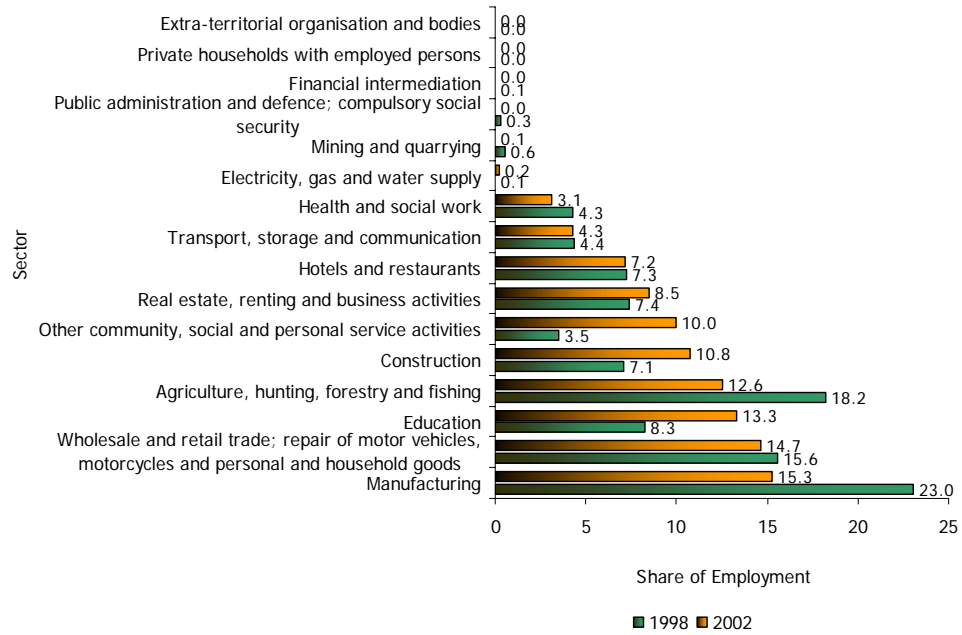
4.4 A further key feature of the rural economy is the importance of self employment. The proportion of residents in work (excluding full-time students) in self employment (3,400) in 2001 averaged 22% across all rural wards compared to 11% in the urban wards and rises to over 25% in Agricultural Lancaster.

4.5 Figure 4-2 presents the change in rural Lancaster's employment base in terms of each sectors employment share. It is apparent that there are some key sectors within the rural economy which dominate employment. In 2002 approximately 21% of all employees in employment in rural Lancaster were in wholesale and retail trade, approximately 13% in education, 12% in manufacturing, and 10% in construction. These sectors collectively account for over 50% of all rural employment.



4.6 Figure 4-3 highlights change in the employment base but on an Agricultural Lancaster basis. Manufacturing (15.3%), Wholesale and Retail trade (14.7%), Education (13.3%) and Agriculture (12.6%) account for over 55% of all employment in Agricultural Lancaster. Manufacturing employment, although still the most dominant employer in this area of Lancaster, saw employment fall from 23% in 1998 to 17.3% in 2002. Agricultural employment fell more severely from 18.2% to 12.8% of total in Agricultural Lancaster, whilst sectors such as Education and construction grew to compensate for this fall.

**Figure 4-3: Sectoral share of employment in Agricultural Lancaster, Change 1998-2002**



Source: Nomis, Annual Business Inquiry © Crown Copyright

## 5. Economic position of residents of Rural Lancaster

5.1 We are able to get some measure of the economic position of residents in rural parts of Lancaster district by reviewing:

- Unemployment data
- Wage rate data
- Indices of deprivation.

### Unemployment

5.2 There is a relatively low overall level of **unemployment**, broadly defined for residents of rural Lancaster, measured in the 2001 Census. Only 3% of those economically active in rural Lancaster were unemployed, as compared to 6% for the North West and Lancaster district as a whole. Rural Lancaster also high levels of self-employment (73%). Also the overall employment rate in 2001 in rural areas is the same as in the district's urban areas (58% of all those aged 16-74).

Table 5-1: Economically Active Rural Residents, 2001					
	Economically Active	Employees	Self Employed	Unemployed	Full Time Students, economically active
Agricultural Lancaster	4,486	1,230	3,256	682	106
Rural Lancaster	17,408	12,216	3,372	581	1,239
% Economically Active Agricultural Lancaster	100%	61.5%	23.6%	3.1%	11.9%
% Economically Active Rural Lancaster	<b>100%</b>	<b>70.2%</b>	<b>19.4%</b>	<b>3.3%</b>	<b>7.1%</b>
% Economically Active Lancaster	100%	75.0%	12.7%	5.8%	6.5%
% Economically Active North West	100%	79.2%	11.1%	5.7%	4.0%
% Economically Active England	100%	78.7%	12.4%	5.0%	3.9%

Source: ONS Census 2001 © Crown Copyright

5.3 Unemployment rates are consistently below the district average in all rural wards, including Agricultural Lancaster. The highest rate being 5.1% in Carnforth ward. A narrower, but more timely, measure of unemployment is provided by Job Seekers Allowance claimant count. Latest data for June 2005 shows unemployment in agricultural Lancaster to be low at 0.5%. Unemployment within rural Lancaster overall is less significant, at 1.3% (of working age population), than for Lancaster district as a whole at 1.9%. It has fallen slightly over the last 12 months.

Table 5-2: Claimant Count Unemployment Rates, 2004-2005		
Area	June 2004	June 2005
Agricultural Lancaster	0.5	0.5
Rural Lancaster	1.4	1.3
Lancaster district	2.1	1.9
Lancashire	1.9	2.0
North West	2.3	2.5
England	2.2	2.3
<b>Source:</b> ONS Nomis, Claimant Count		

- 5.4 Of all people that are classified as working age in rural Lancaster in Census terms (i.e. 16-74), 60% (17,400) are classified as economically active with the remaining 40% (11,600) classified as inactive. This relatively high inactivity level is closely correlated to the presence of the University, and the attribution of Census returns for University ward within the rural ward of Ellel. Of those who are economically inactive 41% are classified as retirees, whilst a further 35% (4,000) are classified as students. Collectively these two categories of inactivity account for over three quarters of economic inactivity within rural Lancaster.

### Rural earnings

- 5.5 Table 5-3 shows average (mean) gross weekly earnings over the period 2002-2003 for those people who respectively reside and work in rural Lancaster. It is clear that there is a significant difference between the actual wage levels secured by those who live in rural Lancaster and commute elsewhere and those that work in the rural economy.
- 5.6 Lancaster's rural residents on the whole received on average £393 per week in 2003, 7% above the regional average. However, jobs in the rural areas provided on average only £298 per week, 18% below the regional average. This means that average earnings for those living in the districts rural areas are on average 31% higher than those paid to those working in rural areas. The difference between the earnings of those who commute out and those who work locally will be even more marked. This means that there clearly is the potential for a serious housing affordability issue, as there is in many rural areas, for those living and working in the rural areas.
- 5.7 Wage earning ability within Agricultural Lancaster however is a more severe problem. It is an area of the district which has slightly lower wages for residents and markedly lower wages for those who are employed in businesses in this area of Lancaster. On average agricultural Lancaster residents are paid 12% below the regional average, whilst those employed in this area earn 27% below the regional average.
- 5.8 However, low wages might not necessarily be a problem where they are associated with part-time employment or employment of full-time students or elderly who do not rely wholly on these low wages to maintain a sufficient standard of living. Moreover, with the exception of parts of the Lune Valley and the two AONB areas, many of the rural areas are relatively accessible to the district's urban areas.

<b>Table 5-3: Rural Lancaster Earnings, 2002-2003, average weekly earnings</b>			
<b>Residence Based</b>	<b>2002</b>	<b>2003</b>	<b>Index 2003 (NW = 100)</b>
Agricultural Lancaster	-	324.9	88
Rural Lancaster Total Wage	380.4	393.0	107
Lancaster Total Wage	326.2	353.9	96
Lancashire Total Wage	339.5	352.1	96
North West Total Wage	357.6	367.6	100
England Total Wage	393.4	402.7	110
<b>Workplace Based</b>	<b>2002</b>	<b>2003</b>	<b>Index 2003 (NW = 100)</b>
Agricultural Lancaster	-	267.8	73
Rural Lancaster Total Wage	261.3	298.1	82
Lancaster Total Wage	340.6	369.2	101
Lancashire Total Wage	341.7	356.5	98
North West Total Wage	358.2	365.6	100
England Total Wage	391.8	400.8	110
Note: 2002 Agricultural earnings are unavailable as the dataset has now been fully withdrawn. Source: ONS Nomis, New Earnings Survey			

## House price affordability

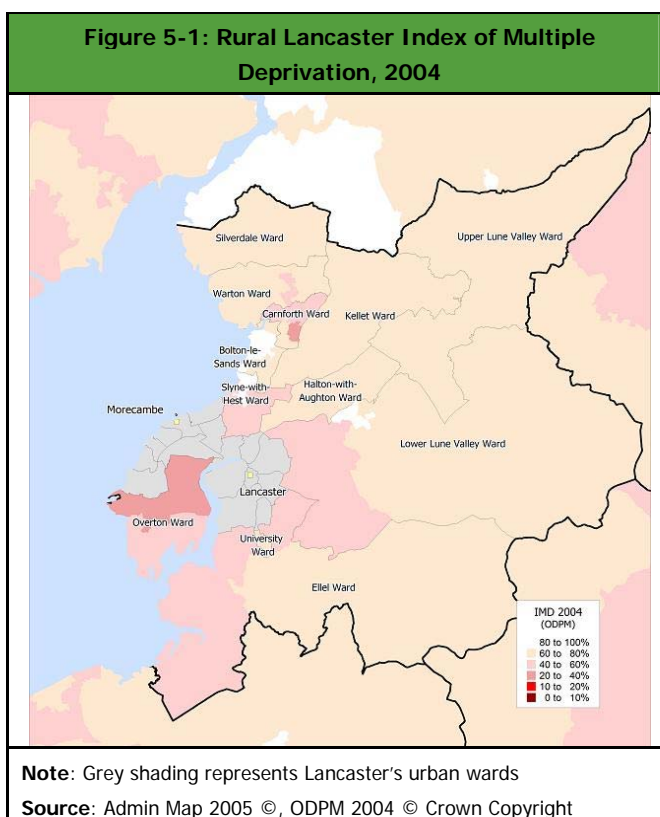
- 5.9 Rural Lancaster has a high average house price in comparison to both regional and national averages. Average house prices in rural Lancaster were £181,500 in 2004, representing an increase of 25% from 2003. Housing in rural Lancaster is also significantly more expensive than average for the district, approximately £55,000 more expensive (+44%). Some nearby districts with similar rural characteristics have housing markets which are, on average, more expensive than rural Lancaster's e.g. Ribble valley and South Lakeland.

<b>Table 5-4: Rural Lancaster House Price Affordability, 2004</b>		
<b>Area</b>	<b>Avg. House Price 2004</b>	<b>Ratio of house prices to Gross annual Earnings 2004</b>
Agricultural Lancaster	£214,424	12.7
Rural Lancaster	£181,547	9.3
Lancaster	£126,518	7.0
Ribble Valley	£191,127	8.8
South Lakeland	£195,280	9.3
North West	£125,935	6.6
England	£178,491	8.5
Note: Earnings data is based upon ward level statistics 2003. Source: Nomis New Earnings Survey, 2003 ©; Land Registry © Crown Copyright		

5.10 Expensive housing in rural areas impacts on the ability of rural residents to purchase property in the area. Using an affordability index based on average house price statistics and gross earnings it is easy to see the difficulties that some socio-economic groups within rural Lancaster have entering the property market. Table 5-4 shows that rural Lancaster has an extremely high house-price to earnings ratio of 9.3 (i.e. an average house in rural Lancaster is over nine times the average annual earnings of rural Lancaster residents). The affordability situation in Agricultural Lancaster is more severe with a house price to earnings ratio of 12.7. Lancaster district as a whole has a ratio of 7.0, whilst the North West and England ratios are 6.6 and 8.5 respectively. While house prices in Rural Lancaster are slightly lower than in Ribble Valley and South Lakeland, so are average earnings, which makes affordability a similar problem. The issues raised by a house price affordability problems in Rural Lancaster are considered in section 6.

### Deprivation

5.11 There are some pockets of area-based deprivation within rural Lancaster. The ODPM index of Multiple Deprivation calculates a score based on Super Output Areas (SOAs) and how deprived they are based upon seven domains<sup>6</sup> (e.g. Health, Income). Aside from the main concentrations of deprivation within the urban wards of Lancaster, rural deprivation should not be forgotten. There are some moderately deprived areas of rural wards in Lancaster, particularly within the wards of Carnforth and Overton. These are in the semi-rural rather than the traditional rural areas. These wards fall within the most 20-40% deprived SOAs in England. Area based deprivation is not at the same acute level as it is in parts of urban Lancaster district.



<sup>6</sup> income deprivation, employment deprivation, health and disability deprivation, education skills and training deprivation, barriers to housing and services deprivation, living environment deprivation, crime.

## 6. Future prospects for Rural Lancaster

6.1 As already described Rural Lancaster is an area of some economic diversity. Throughout this paper Rural Lancaster has been assessed as a whole, but also in more detail by focussing on the more acutely defined Agricultural Lancaster. It would not be accurate therefore, whilst discussing the future prospects of Rural Lancaster, to make sweeping generalisations about this part of Lancaster. However, it is clear that there are some key factors which will impact upon Rural Lancaster in the near future:

- Policy changes (EU/UK) regarding agriculture and the consequences of such changes on the future of farming
- Liveability and rural housing affordability
- The role of tourism.

### Agricultural policy and the future of farming

6.2 Farming (broadly defined as agricultural industries) in Rural Lancaster accounts for approximately 6% all jobs in this part of the district. In Agricultural Lancaster, agricultural employment is not insignificant at 13% of all employment.

6.3 Agricultural activity in the UK and across Europe is to a large extent governed by the Common Agricultural Policy (CAP). This policy has been evolving and changing since its original inception back in the late 1950's. However, this has not stopped criticism of this policy over the decades across Europe as it is often seen as a wasteful subsidy and production driven policy. CAP budgetary decisions for the period (2002-2013) have now eroded the link between the subsidies farmers receive in relation to the volume of goods that they produce. There is now a greater emphasis on CAP funding through improved land management agreements, with farmers being viewed as custodians of the countryside.

6.4 Such fundamental changes to the way that CAP funds farming across Europe will have an impact in rural Lancaster. It raises questions about the farming landscape in general as farmers are now being subsidised not to produce but to maintain the land, and this will consequently affect the way that rural land is used as actual agricultural production per se becomes less profitable. Lancaster district has seen some limited farm diversification with the introduction of leisure activities (Forrest Hills and Warton – Golf and Paintballing), accommodation facilities, and farm shops (selling local produce). It is clear that there will be growing pressure amongst some landowners in the next 5-10 years to increase other non-agriculture based revenue streams as a consequence of CAP policy reforms. However, it also should be acknowledged that there is a finite level to which a local area can sustain certain activities connected with the farm diversification process.

6.5 CAP reform will also financially affect some farmers to a greater extent than others. The land management agreements tend to favour those farmers with extensive landholdings. Rural poverty is sometimes difficult to identify as rural areas are usually characterised by mixed communities i.e. there are few agglomerations of either wealth or poverty. However, although we have little empirical evidence on farming related poverty in rural Lancaster, discussions with local consultees suggest that agricultural based poverty is an issue amongst some in the sector. It is more common amongst those who work in the sector, who have few assets, and who are farming tenants.

## Liveability and quality of life

- 6.6 Rural Lancaster is an attractive location to live in as it is away from the main urban areas of Morecambe and Lancaster but close enough to use its services and for employment – 32% of rural residents work in these centres. It is also close to natural assets such as AONBs and the Coast, and close to motorway infrastructure – 24% of rural residents work outside of the district. However, approximately 44% of rural residents actually work within rural Lancaster itself. Rural residents are therefore heavily dependent on transportation to get to places of employment.
- 6.7 Liveability is an issue for many people looking to get onto the housing ladder in rural Lancaster, for example young people who are ready to leave the family home and remain in their locality. House prices are, according to the most current house price data, approximately nine times higher than average earnings in rural Lancaster. This is higher than both the regional and national averages. Such high prices are clearly associated with a relatively buoyant housing market, and a clear demand for properties in this locality as second homes due to rural Lancaster's quality of life offer. The outcome of this situation for local young residents is an inability to purchase property in their own locality, and be in close proximity to their families.
- 6.8 A consequential effect of this situation can be the break up of family and community networks, and isolation of family members who are left behind and an increase in the overall age demographic of rural residents. Rural isolation can be exacerbated by a reduction of locally-based 'village high street' services such as banks and post offices. While increased council tax receipts on second homes are likely to alleviate pressures marginally, other things being equal, the high price situation looks set to continue. Prices are expected to increase as any future supply of property becomes scarcer. Rural Lancaster, as well as the district as a whole, is affected by a planning moratorium on new housing unless the development is part of a regeneration scheme or is an affordable housing scheme.
- 6.9 One possible partial remedy to poor house price affordability in rural Lancaster could be the development of an affordable housing scheme which would satisfy planning regulations, and help to maintain a more mixed population within rural Lancaster. Such a scheme could also stimulate the continuation of some services in rural areas, or possibly the re-introduction of services which have previously closed – a key liveability issue for rural residents affected by the impact of rural out migration and the prevalence of second homes.

## The role of tourism

- 6.10 Rural Lancaster has a host of attractions which are popular with both residents from the district but also from a wider catchment area. The area is popular with visitors who want to make the most of its natural assets, whether that is the two Areas of Outstanding Natural Beauty (AONBs) at Silverdale and Forest of Bowland, or the wider Lune Valley area in general. The coastline is also a major attraction.
- 6.11 As mentioned, farm diversification is helping to improve rural Lancaster's tourism offer through improved land management techniques, the use of farmland for leisure activities, increased farmers markets and shops where local produce can be purchased, and some new accommodation facilities. However, there cannot be too much reliance on farm diversification to drive forward tourism in rural Lancaster and as a future employer. The tourism offer needs to be carefully developed in rural Lancaster as a balance needs to be sought between

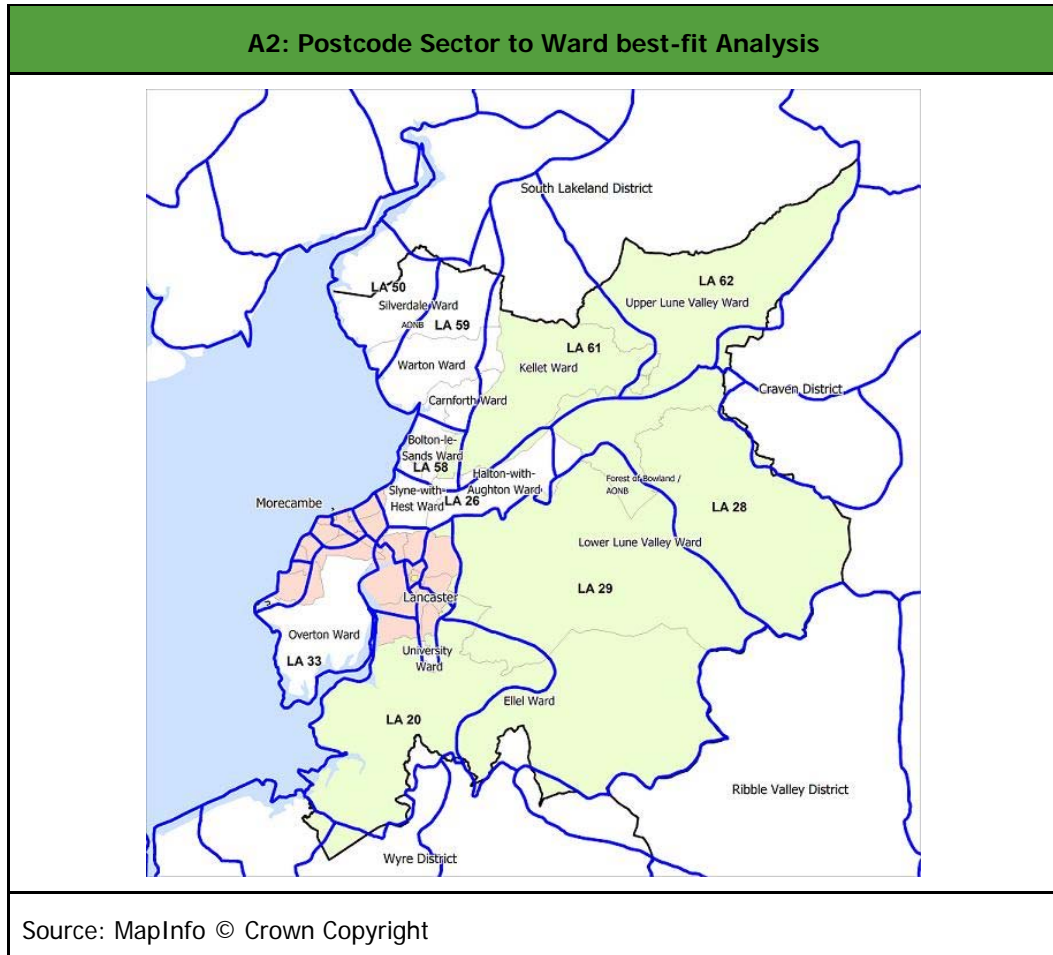
attracting visitors to the area, whilst also considering the environmental considerations and impacts on AONBs and former farmland of increased visitor activity.

## Appendix A Ward Classification

1. Urban and rural ward classification – This classification has been taken from an ONS/ODPM et al report, and has been applied to ward based datasets for this report. The following table is a breakdown of the wards and their classification.

A1 – Rural & Urban Ward Classification					
Rural Lancaster		Urban Lancaster		Urban Morecambe	
30UHGH	Bolton-le-Sands	30UHGJ	Bulk	30UHGG	Bare
30UH GK	Carnforth	30UHGL	Castle	30UH GQ	Harbour
30UHGN	Ellel	30UHGM	Duke's	30UHGR	Heysham Central
30UHGP	Halton-with-Aughton	30UHGU	John O'Gaunt	30UHGS	Heysham North
30UHGW	Kellet	30UHHA	Scotforth East	30UHGT	Heysham South
30UHGX	Lower Lune Valley	30UH HB	Scotforth West	30UH GZ	Poulton
30UHGY	Overton	30UH HD	Skerton East	30UH HG	Torrisholme
30UHHC	Silverdale	30UH HE	Skerton West	30UH HL	Westgate
30UH HF	Slyne-with-Hest				
30UH HJ	Upper Lune Valley				
30UH HK	Warton				
Source: <a href="http://www.statistics.gov.uk">http://www.statistics.gov.uk</a>					

2. The following map indicates the best-fit postcode to ward (rural Lancaster) analysis that was undertaken to calculate the ratio of house prices to earnings. The map is similar to the main ward map earlier in the report, whilst the additional Blue lines mark out the postcode sector boundaries. Those labeled were deemed to be the closest fit to the rural Lancaster definition of wards that has been used throughout this report.





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