

Attracting and retaining workers in the Derbyshire Peak District

Living in rural England can be far from idyllic. There is a lack of affordable housing, the cost of living is high, and travel is problematic. A serious consequence of this is the difficulty rural businesses have in attracting and retaining workers. This is of concern, given the significant contribution rural businesses make to the national economy.

Research in the Derbyshire Peak District found that 'natural' capital – that is, the beauty and amenities of the countryside – could underpin a place-based approach to attracting and retaining workers. It also identified that by working together, local government, academics, business support organisations and employers could co-create innovative solutions to help solve staffing challenges. It found that novel person-centred employment practices increased staff satisfaction and hence worker retention.

Introduction

The Peak District covers 555 square miles in the heart of England but is also in close proximity to large cities like Derby, Sheffield and Manchester¹.

It is a diverse region that exhibits some challenging characteristics:

The population of the Derbyshire Peak District (DPD), consisting primarily of the High Peak and Derbyshire Dales areas, is approximately 162,000 and has remained more or less static since 2011.

28% of inhabitants in the Derbyshire Dales and 22% in the High Peak are aged 65 years or older. This compares to 18% of the inhabitants in England. Within Derbyshire, Derbyshire Dales has the greatest proportion of those aged over 65.

Housing costs vary significantly across the region. The median house price in the Derbyshire Dales is £315,000, compared to £175,000 in more urban areas in Derbyshire, like Chesterfield².

This data indicates the region has a disproportionately high number of older residents, which impacts upon economic activity. Factors such as a lack of affordable housing may exacerbate the issue in the most rural areas.




However, the DPD is an area of outstanding natural beauty, and research³ has demonstrated that the natural assets within a region can attract people to live and work in it. In 2021 researchers from the Universities of Derby and Newcastle funded by the National Innovation Centre for Rural Enterprise (NICRE), began a two-stage study. It used a place-based approach to explore how 'natural' capital⁴ underpinned the sense of belonging felt by DPD residents and workers. A place-based approach seeks to understand the issues affecting a specific community so that coordinated action and investment can then be used to improve quality of life.

The first stage of the research consisted of 28 structured interviews with representatives of business support organisations, local government, tourist attractions and community groups in the DPD. It concluded that natural capital was central to a sense of belonging in rural communities.

The second stage of the research, described in this briefing, delved deeper into the influence of identity and place on attracting and retaining workers. It also explored the impact of COVID-19 and Brexit on the labour market in the DPD and sought to identify how businesses could be supported to overcome their workforce challenges. The team conducted a further 28 interviews in 2023 with employers and employees.

Recruitment is a major issue for employers in rural areas across the UK, and the DPD is no different. At the national level, a 2023 survey⁵ by NICRE found that staffing was a problem for 52% of rural businesses.



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Influences and challenges for employers and employees

The interviews revealed a complex and differentiated labour market within the DPD. Employers faced challenges from events and influences at global, national and regional levels.

Global influences on the labour market

COVID-19 had a profound effect on employment patterns across the UK. This research showed the impact in the DPD, with employees now seeking flexible, hybrid working and a better work-life balance:

“I think COVID has very much changed people’s perceptions of what they do or don’t want to do and what their work-life balance is.”

“I think people during COVID realised that actually they wanted... a better work-to-life balance.”

“We’ve lost some really good candidates because they want to work at home.”

National influences on talent flows

At the national level, Brexit led to issues with the availability of labour, especially for employers that had relied on a large pool of European workers. These problems have forced employers to seek workers from outside the EU, which has increased their costs:

“We saw a lot of our Eastern European workers, who worked in our hotels both in Derbyshire and in North Yorkshire, go back home. Many had worked for us for many years, and we have lost 80-90% of non-British citizens.”

“Even where we’re bringing chefs over from South Africa, we are having to pay approximately £3,000 per chef in upfront costs.”

Regional-level challenges for employers

Tight local labour market

Businesses found it difficult to attract staff with the appropriate skills and experience in sufficient numbers:

“On the production side of things, we... got about maybe 30-odd applicants, of which a lot were either over-qualified or had not actually [got] any of the skillset that we needed.”

“There is a shortage of qualified technicians in this area, and people are quite happy with who they’re working for... People don’t want to move.”

Interviewees also highlighted the lack of appropriate training opportunities for young people:

“I do worry about some of our specialists, because we struggle to get bakery apprentices... heritage skills... like specialist painting and decorating... skills that’ll disappear if apprentices don’t get pushed for at schools and colleges.”

Other businesses faced challenges peculiar to their sectors. For instance, those in hospitality felt that the industry was not seen as a good place to work:

“We lost a lot of people from the industry. I think that hospitality wasn’t considered a credible career.”

Seasonal challenges

Many DPD businesses, such as those in hospitality and tourism, are seasonal – resulting in many jobs being temporary.:

“Because many of our jobs are part-time and seasonal, we attract people at the end of their careers. They might have been headmasters or police chiefs – many who might have been CEOs, actually.”

Demographic challenges – the ‘green graveyard’

The older age profile of the local population led to a lack of young workers, primarily because younger people often left the region for other opportunities:

“The pool of young people doesn’t really get any bigger in the Peak District, they tend to drift away.”

“In 50 years’ time are we going to be a community of retirees? There is a problem with the Derbyshire Dales and the Peak District becoming a green graveyard.”

Challenges for employees

While employers found it difficult to find workers, employees also reported difficulties in finding a job:

“I’d say there aren’t a lot of opportunities, if I’m honest – waitressing, pot-washing, things like that. And you find that you’ve got 50 or 60 people applying for this one job, coming from all over.”

“I think there aren’t a lot of vacancies... There isn’t a lot certainly at the level that I would be looking at.”

Structural challenges

Issues such as the cost of living, a lack of affordable housing, broadband and poor transport in and around the region caused problems for both employers and employees.

Connectivity and digital infrastructure

The lack of broadband and internet access deterred some applicants from applying, especially if they wanted to work from home:

“It’s like [post] COVID, people who want to move to the Peak District and work from home... they’re wanting their broadband.”

Mobility and transport

Poor public transport and the cost of owning a car were the major causes of mobility problems for workers:

“Public transport – it’s terrible, and it’s disjointed beyond belief.”

“Well, to be honest with you, I think transport is a big [problem] if you don’t have your own transport. The bus service to Chatsworth is very difficult – [the times are] very set.”

Housing and the cost of living

The lack of affordable housing meant people had to travel long distances to work:

“Housing is expensive round here, because there’s a lot of holiday homes now. There’s very little affordable stuff. A lot of what I would happily call nimbyism goes on.”

On the other hand, there were aspects of the region that supported attraction and retention to the DPD.

Quality of life as a means of attracting and retaining staff

Natural capital underpins a sense of place

The interview responses indicated that workers had a strong sense of belonging to the area, which was recognised by employers as a factor in attracting and retaining staff:

“I think a lot of people are... quite proud of living here and where they work.”

It was also reflected in responses from employees, who explained that the countryside was a big part of the attraction of working in the DPD:

“I come through the back hills to Bakewell... Just that calmness and that peace [when] driving to work every morning – you know, cows in the fields, sheep, lambs, all of that stuff.”

“I do feel connected to the area... because I’ve been here since I was a kid really – well, a lifetime. So everywhere feels so familiar.”

Employing the human, not just the resource

Some employers offered a broad range of different rewards to attract and retain staff more effectively – for example, flexible and home-working options, different shift patterns and subsidised travel etc. This ‘cafeteria’-style rewards system, which could accommodate different individual orientations to work, helped make them employers of choice for the local workforce:

“So I think there’s a lot of the sort of flexibility and wellbeing stuff that we support with and less of what I would call the sticky HR issues.”

“We do incentives... for [our staff] to gain physical cash vouchers, nights out, team days out. As well as kind of staff parties, we organise brewery trips, wine-tasting days out. And we try and do one day a month... to try and create a community culture within the team.”

These findings suggest that a place-based approach to recruitment could develop a strong regional brand that emphasises the natural assets of the DPD region to workers. Business owners could also enhance their local reputation with a flexible and customised approach to their total rewards packages.

Policy implications

Government and intra-organisational

Appropriate national policy is fundamental to the survival of healthy rural businesses that can underpin the vibrancy of their local economy and community.

Education policy:

- Apprenticeships should be used as a way of addressing the ageing worker demographic in rural communities.
- One approach would be to update the scheme to be more appropriate to the needs of small and micro businesses. Unique features could include:
 - Hybrid apprenticeships that cover more than one business area. A hybrid skill set is required in businesses that are not large enough to employ people in distinct areas.
 - Pooled apprenticeships, shared between small or micro businesses.

Policies relating to infrastructure:

- Encourage and enable local government to work together to develop a fit-for-purpose public transport infrastructure. Consider providing central government funding to subsidise rural bus services to transport workers into and across regions.
- Require providers to increase the quality of broadband coverage in rural areas to enable businesses and communities to fully engage with the digital world.
- Encourage and enable local government, developers and housing associations to provide more affordable housing for workers who can then live closer to where they work.

Underpinning research

- Fund research to benchmark and compare approaches to solving problems with recruitment and retention of workers in other rural communities both nationally and internationally.

Local government

Local government has a duty to understand and support the needs of its local communities and ensure that those in rural areas do not lose out.

Cooperation between local councils and business support organisations:

- Promote the DPD as a 'place to work', rather than just a place to visit. Multi-agency coordination would enable the communication of a consistent brand to prospective workers, giving a geographical perspective to the message.
- Translate the idea of natural capital into a central plank of business-focused communications, reinforcing the associated sense of belonging and the improvement in mental and physical wellbeing that this creates for rural workers.
- Fund a facilitation role that helps rural businesses to successfully access government business support that may support worker attraction and retention.
- Fund a coordinating body to work with employing organisations to co-create ways to address common staffing issues such as transport to work, staff training and marketing the region as a place to work.

Business support organisations:

- Work with businesses to create a holistic, place-based approach (in addition to industry/sector-specific strategies) that supports worker attraction and retention to the region.
- Enable companies to promote the benefits of working for a small business, such as the opportunity to multi-skill and to take advantage of multiple career paths.
- Support businesses to change the negative perception of certain industries that are important to the rural economy.
- Encourage and enable employers to tackle shared problems, both between sectors and within them. Examples include:
 - The possibility of sharing/funding transport to bring workers into remote locations that are poorly served by public transport.
 - Large employers could make excess spaces on their in-house training courses available to eligible employees of other, smaller, local companies.
 - Small companies could cooperate and share the cost of training.

Organisational implications

Rural businesses of all sizes will be stronger when they work together to create critical mass to address recruitment and retention problems.

- Businesses should be willing to cooperate: co-ordinated by business support organisations, companies should form a network to support one another – for example, as part of a CSR initiative, as part of an additional revenue stream or as a way of creating economies of scale to help justify initiatives such as shared transport for workers.
- Employers should emphasise the natural capital of the region and the links to a better quality of life to attract workers. Testimonials from existing staff could be used to promote this and incentives offered for positive word-of-mouth recommendations.
- Employers should be aware of the various orientations to work of their employees. They should seek to offer a total rewards package that makes the company appealing to individuals at all life stages.
- Businesses can take action to retain their workers. For instance, they can enable staff to rotate around the organisation to fill skills gaps and enable employees to become multi-skilled. This provides job enrichment (rather than just job enlargement).

References

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