

January 2025

Funding and Rural Poverty Representation - an Open Letter to Funders

Dear Funder,

Following our engagement with the third sector in the Scottish Borders, we are writing to express our concern regarding many funders' decisions to allocate funds using the Scottish Index of Multiple Deprivation (SIMD) as a single measure of poverty and deprivation. While I deeply respect any attempt to understand, measure and tackle poverty and inequality, we urge you to reconsider the limitations of using the SIMD as the primary tool for identifying communities in need, especially in relation to rural poverty.

The SIMD is a robust and valuable resource; however, its methodology tends to disproportionately highlight urban deprivation, while underrepresenting the distinct and often hidden forms of poverty experienced in rural areas. Sparse populations, geographic isolation, and lack of infrastructure are unique challenges faced by rural communities, which results in deprivation that is less visible in SIMD rankings but no less severe in its impact on individuals and families.

Rural poverty often manifests differently than urban deprivation and is less visible through SIMD's indicators. Geographic isolation, limited access to essential services, higher transportation costs and constrained employment and skills development opportunities contribute significantly to hardship in rural areas. However, these factors are insufficiently reflected in SIMD rankings, leading to an underrepresentation of rural deprivation and, consequently, reduced funding allocations for these communities.

The impact of this oversight is profound. Rural communities continue to face systemic barriers, exacerbating inequalities and limiting their ability to thrive. On behalf of the third sector in the Scottish Borders, we urge funders to adopt a more nuanced approach that complements SIMD data with qualitative assessments and alternative measures of deprivation, specific to rural contexts. Such an approach could include:

- Supplement SIMD data with qualitative assessments, local community plans and strategic health and social care priorities as alternative indices that capture the multifaceted nature of rural poverty.
- Consulting with third-sector organisations operating in rural communities and stakeholders to identify priority areas.
- Allocating a portion of funding specifically for rural initiatives addressing social isolation, connectivity, transport and access to health, work and education.

- Developing bespoke indices, criteria or weighting to applications based on projects looking to address rural deprivation and its impact on health and wellbeing, low income, employment indices, access to services, lack of affordable housing, transport and higher fuel costs.
- Consider funding revenue and core funding costs for rural-based third sector organisations, recognising limited opportunities for fundraising across rural areas.

Our pledge is for all bodies distributing grants and funds to broaden their lens through which need is assessed, considering the rural landscape in addition to SIMD. The third sector plays a significant role in filling gaps in statutory provisions, particularly as public services continue to be stretched, mostly as rural costs may be considerably higher compared to urban communities (Peterson et al., 2017)ⁱ.

Addressing rural poverty is essential not only for fostering fairness but also for achieving inclusive and sustainable impact. This means funding is distributed more equitably and effectively, thus enabling local organisations and community groups to continue delivering essential services and resources in areas where very little, if anything is available.

We would welcome the opportunity to discuss this matter further and to work collaboratively toward refining funding frameworks that better reflect the diverse realities of deprivation. Thank you for considering this important issue, I look forward to your response.

Yours sincerely,



Juliana Amaral
Chief Executive Officer
 On behalf of the Board of Trustees
 representing the Third Sector in the Scottish
 Borders. Borders Community Action – Third
 Sector Interface



Cllr Cochrane
Chair of the Community Planning Partnership
Strategic Board
Our Scottish Borders
 Your community

This letter has been endorsed by the Scottish Borders Community Planning Partnership

"The Community Planning Partnership Strategic Board endorses the call for a more refined approach to resource allocation, acknowledging that SIMD data alone does not fully reflect rural deprivation. A flexible, place-based approach will better support the long-term sustainability and inclusivity of our rural communities"

ⁱ M.T. Peterson, J. Fisk, L. McCarthy. Integrated care in rural health: seeking sustainability. Fam. Syst. Health, 35 (2) (2017), pp. 167-172.