

Urban-rural flows due to seasonal tourism and second homes in the Nordics

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Moderator: Johanna Feuk Westhoff

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Agenda of the seminar

1. Present results from the Nordregio study (Elin)
2. Questions or comments to the study
3. Discussion (Elin, Johannes, Louise and all)

Rationale and focus of the study

- Flows of people and the second-home phenomena for regional development is still not fully considered in policy and planning.
- One reason is that second homes and seasonal tourism implies linkages between urban and rural areas which complicate strict categories used in statistics – therefore population projections, and public policy tend to ignore the temporary population.
- In this study the focus is second homes and seasonal tourism as a spatial planning challenge.
- This means what problems public actors in the spatial planning need to handle when including voluntary temporary inhabitants into strategic and land use decisions.

Research questions

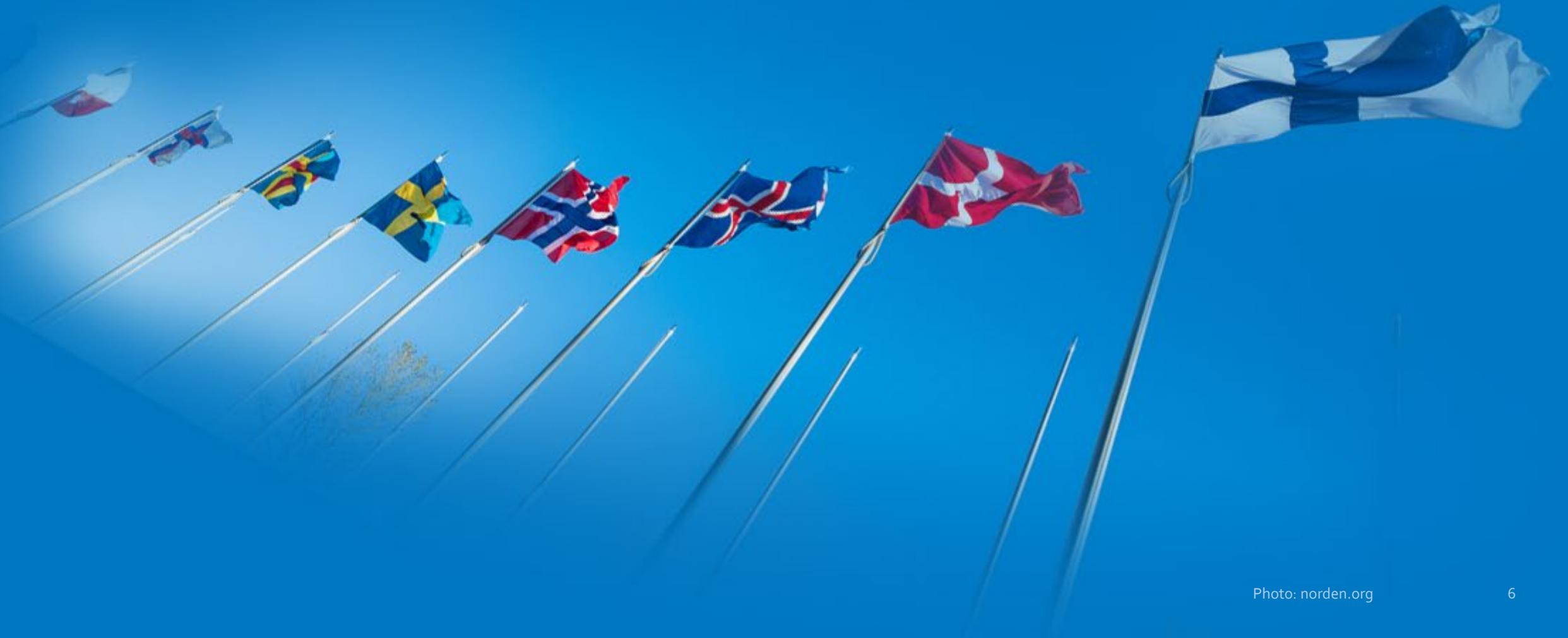
1. In what sense urban, in what sense rural?
2. How can the urban-rural flows of people be characterized?
3. What type of planning challenges can seasonal tourism and second homes cause?
4. What strategies have Nordic municipalities implemented to handle these challenges?

Method and approach

- Literature review: state of the art research in the Nordics
- Statistics and GIS
- Case study municipalities: one in each Nordic Country
 - Odsherred, Denmark
 - Pargas, Finland
 - Grímsnes og Grafningshreppur, Iceland
 - Nore og Uvdal, Norway
 - Härjedalen, Sweden
- Interviews, observations, photos, document studies
- National governing contexts
- Combined analyses



Results from a Nordic overview



Urban to rural flows of people

- Urbanisation is the trend in the Nordic region - no-large scale urban to rural permanent migration has taken place.
- One of the explanations is that the quality of life motives for moving to the countryside is rather satisfied by extensive access to second homes.
- Voluntary temporary inhabitants is the term used by researchers in the field.
- Estimations: around half of the Nordic population have access to a second home, via ownership, family or friends.
- The second homes are used increasingly year round, during weekends and holidays. Short- and long term stays.

- **What is a second home?**

Second homes in Nordic countries traditionally means a detached house in a rural area where no one is permanently registered.

(DK: sommerhus, IS: sumarhús, FI: mökki, NO: hytta, SE: fritidshus)

- **Why do Nordic people use or own a second home?**

Previous Nordic research indicate four main non-exclusive motivations

- social bonding with family and friends
- 'escape' from the busy urban life
- access to nature and associated recreational activities
- investment

Where are the second homes located?

The main areas for second homes – both in numbers and in relation to permanent inhabitants are

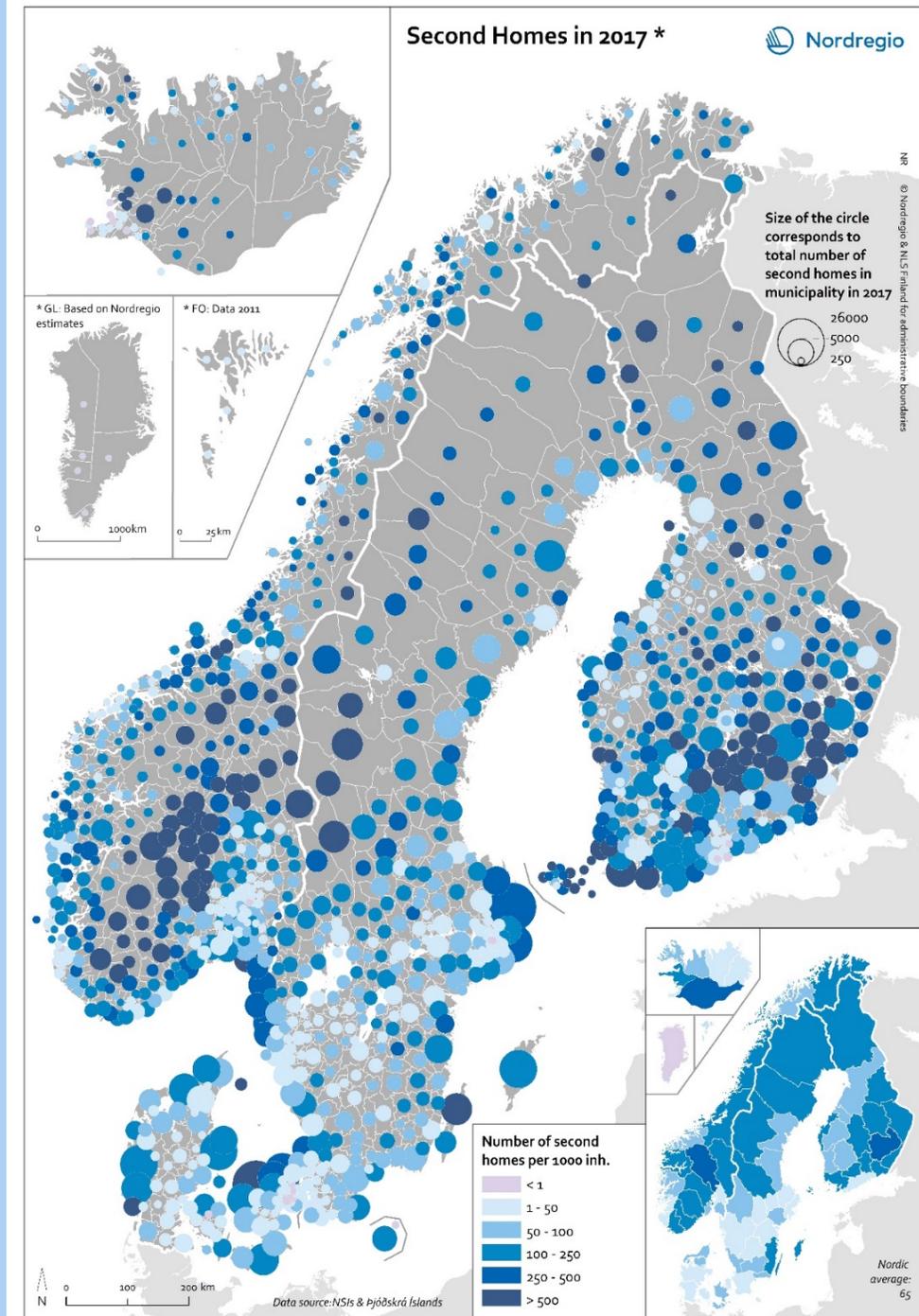
Denmark: northern Sjælland and the west-coast of Jylland

Finland: mid-eastern lake areas (Etelä-Savo/Södra Savolax) and south-west archipelago including Åland

Iceland: municipalities in proximity to Reykjavík in south of Iceland

Norway: southern mountain area in Norway (Oppland and Buskerud fylke)

Sweden: southern mountains area (Dalarna and Jämtland Härjedalen), Stockholm archipelago and Öland



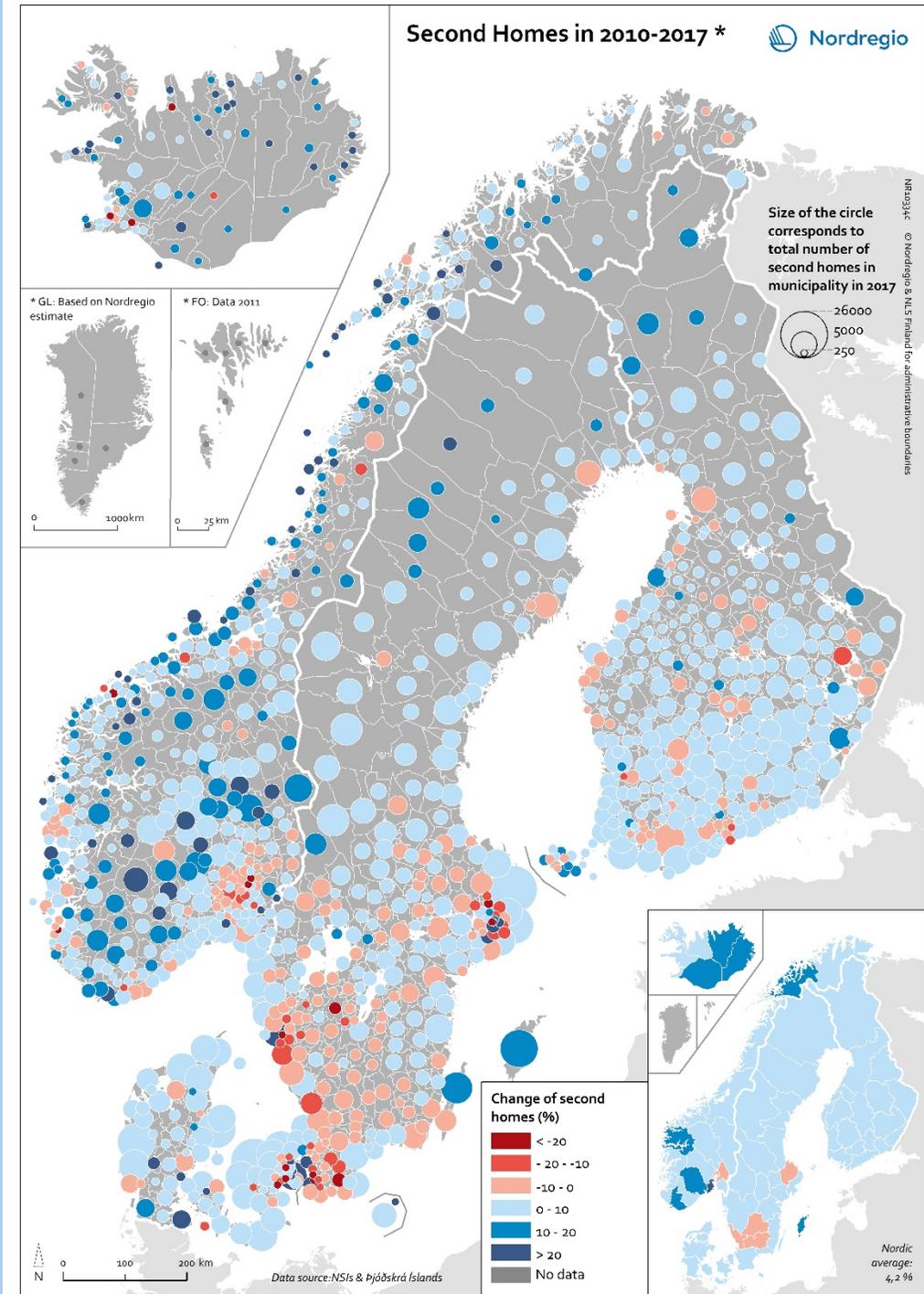
Changes over time?

During 2010-2017, the number of second homes were growing with 4.2 percent within the Nordic countries (blue colors)

In some areas the number of second homes are decreasing (red colors).

Three plausible reasons:

- 1) that the houses have been teared down or abandoned,
- 2) that the houses have been turned into permanent houses, and
- 3) that the statistics from the housing registers includes errors due to different perceptions on how to report (different opinion on what a house is).



Include voluntary temporary population in planning

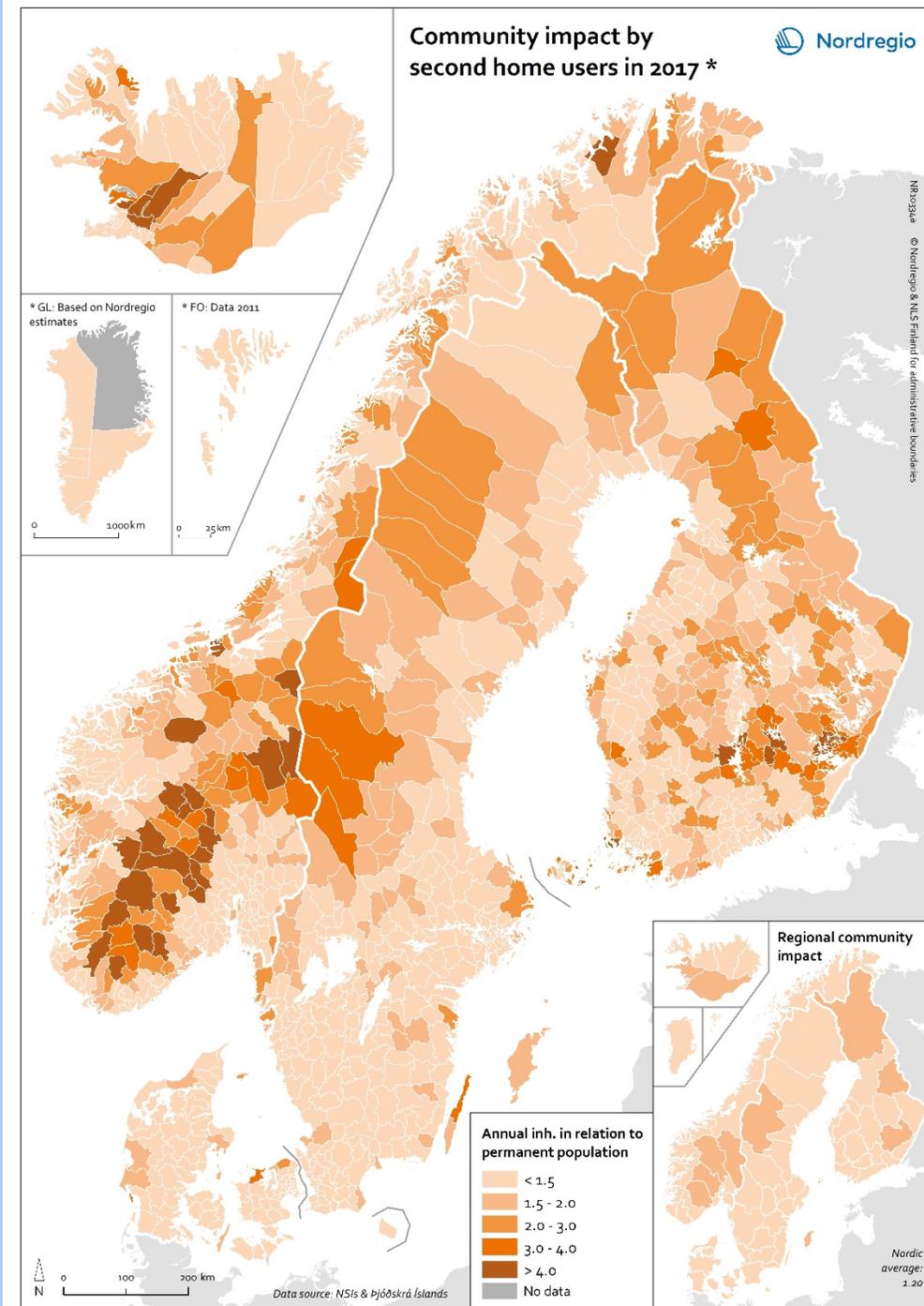
- To consider seasonal tourism and second homes in spatial planning is important for estimations and projections on the demand for local public and private services.
- Voluntary temporary populations, due to second home usage or tourism, is still today largely ignored in policy and planning in the Nordic countries.
- The provision of public services, such as infrastructure, waste treatment, and social services, is often based on census data that record people as living in one place only.

Community impact of Second Homes?

Illustrates the impact of temporary inhabitants (second home inhabitants) to the municipality
i.e. the annual population in relation to permanent population

$$\text{Community impact} = \frac{\text{permanent pop.} + 3 * \text{number of second homes}}{\text{permanent population}}$$

measure *Community Impact* is based on model from Jon M. Steineke (2007).

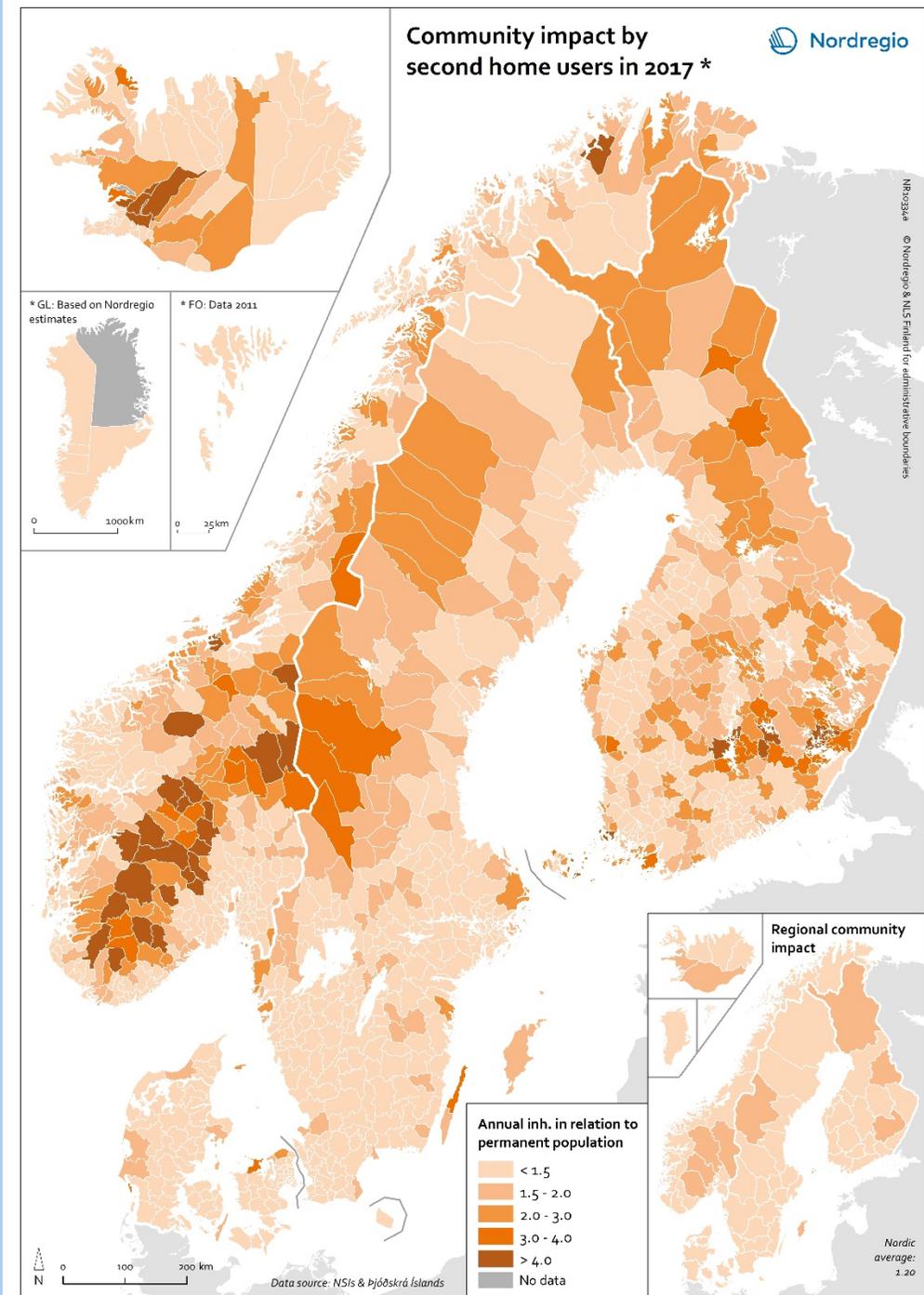


Community impact of Second Homes?

Positive and negative impacts

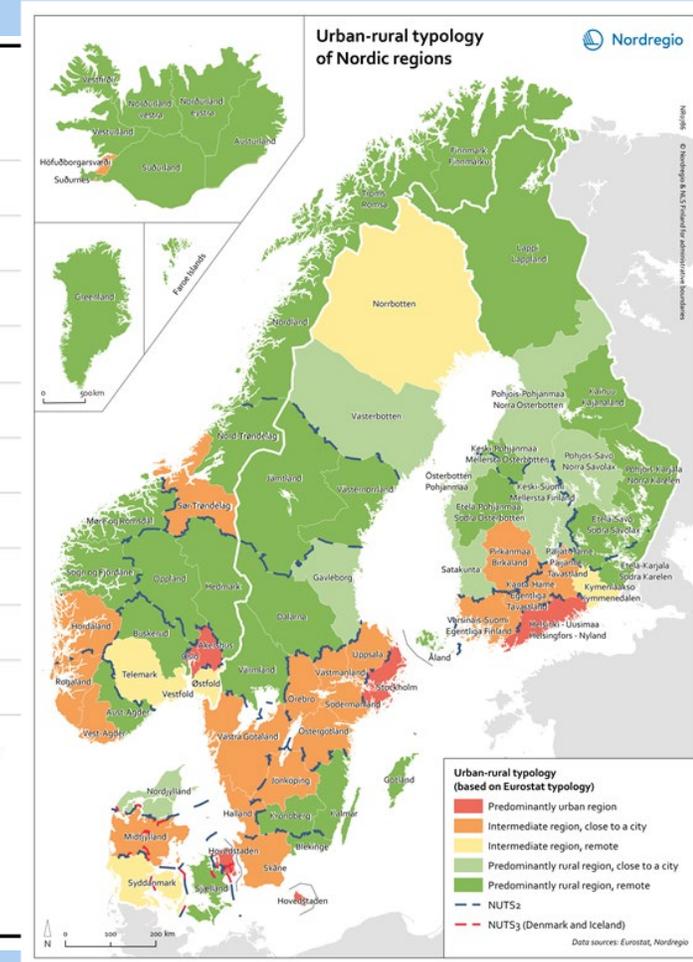
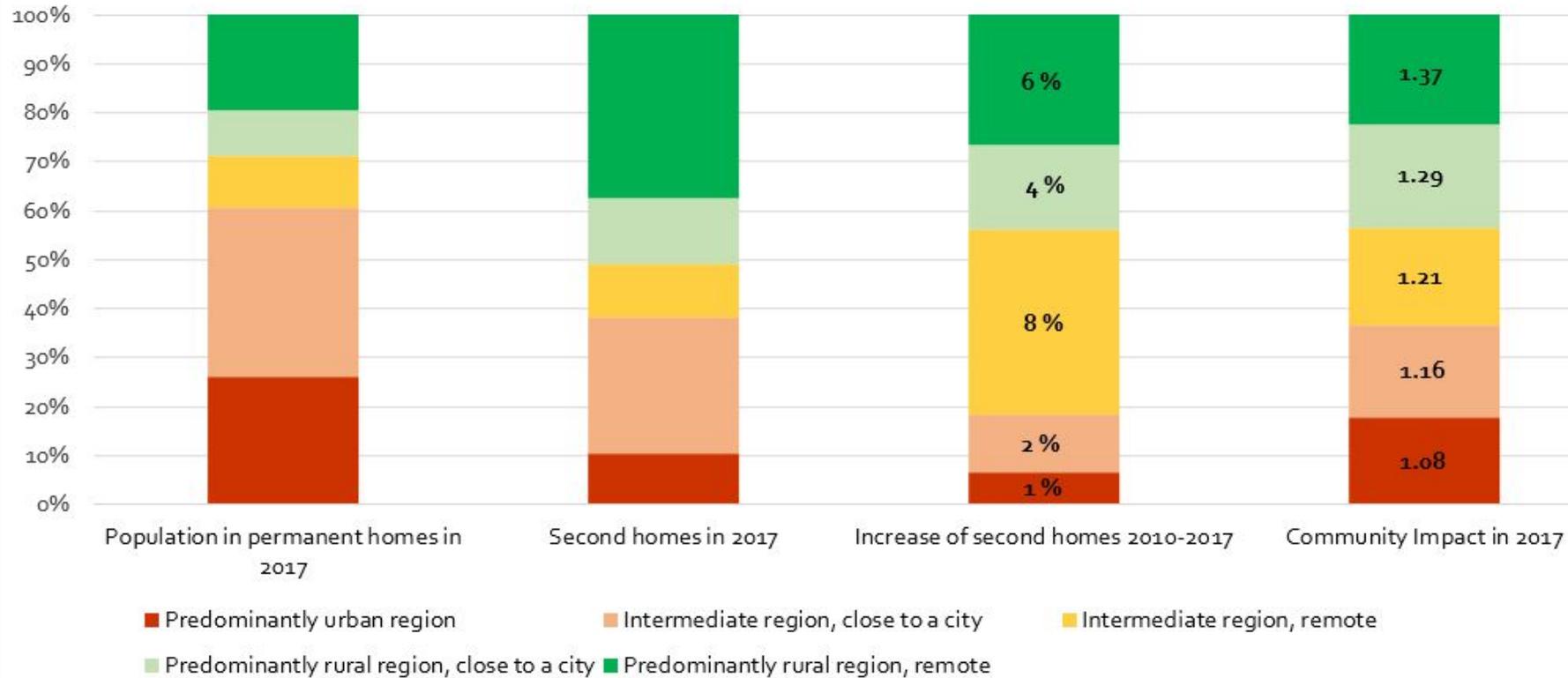
Negative: more people use infrastructure and services than counted for

Positive: job creation, local and regional consumption, demand for events



Continuous counter-urbanisation process is existing in the Nordic region

Second homes and community impact in Nordic countries based on urban rural typology



Inspired by results in Norway (Ellingsen, 2017, pp. 5,9) and Finland (Adamiak et al. 2017) on counter-urbanisation processes – here on the Nordic regional level.

The continuous stream of people from urban to rural municipalities is an “invisible” counter-urbanisation process

(Adamiak et al. 2017; Ellingsen, 2017; Hall and Müller, 2018)

Nore og Uvdal municipality have a food store open on Sundays, thanks to its voluntary temporary inhabitants.



Positive impacts of voluntary temporary populations

- maintain social life
- maintain demand for local services (both private and public)
- encourage economic activities
- support local employments
- can give knowledge input to planning and strategy work (if recognized as inhabitants)

Strict divides between urban and rural areas, between permanent residents and voluntary temporary residents, does not reflect the whole picture of society.

- No activities typical for permanent residents and voluntary temporary residents respectively.
- Digital solutions enable people to work in their rural (second) home, although the work place might be located in an urban area.
- It is impossible by visits and visual methods to depict a second home from a permanent home.

Results from 'the most experienced' municipalities



Odsherred, Denmark

“The 25 000 second homes in our municipality are the core of the entire service sector and trade. You can almost only underestimate how important they are. In total, one second home has the same meaning for the local economy as one permanent citizen has in average for an entire year. It says something about how dependent the economy is of the second homes.”

(Director of VisitOdsherred, January 2019)



Photo: Louise Ormstrup Vestergård

Parainen/Pargas, Finland

“Right now if a bus with tourists comes during the high season we can have a bit of a challenge to house them all in one location within the municipality, and the business owners are a bit reluctant to collaborate with each other. Even if the neighboring bed and breakfast have beds. It is usually solved by directing the tourists to another municipality in the region, but for our local economy further work is needed on this. With our new employees within tourism we arrange seminars for businesses in order to enhance collaborations.”

(Official in Pargas municipality, February 2019.)



Photo: Pargas municipality

Grímsnes og Grafningshreppur, Iceland

“I would not say that it would be that much seasonal because we have tourists all year around. We are in South Iceland, which means that most of the people coming to Iceland are coming to South Iceland.”

(Official at GOG municipality, January 2019.)

“At least 70 percent of all tourists who come to Iceland come to the south”

(Project manager at Visit South Iceland, January 2019)



Photo: Johannes Lidmo

Nore og Uvdal, Norway

“The reality in Norway is that people move from the cities to the rural areas in weekends and vacations. But they are moving public services away from the rural areas, and this is a challenge.”
(Employee in Nore and Uvdal business center, January 2019)

“We do not want to have property taxes, because we see it as a competitive advantage not to have it. In the surrounding municipalities they have introduced this tax, it is just our municipality that has not.”
(Local politician, January 2019)



Photo: Louise Ormstrup Vestergård

Härjedalen, Sweden

“That we have a lot of tourists, leads to more shops in settlements than we normally would have. We have more services in those settlements. If we would not have the tourism industry there would not be even 3000 inhabitants in the municipality.”

(Planner Härjedalen/Berg municipalities, January 2019)



Photo: Johannes Lidmo

Combined analysis of planning challenges and strategies



Five challenges identified as shared between two or more of the Nordic cases

1. Infrastructure and welfare system not adapted to mobile population.
2. Rules and regulations not adapted to a mobile population.
3. Rules and regulations are not followed by the voluntary temporary population.
4. Competition on housing market and market for guest nights.
5. Developing and implementing sustainable tourism.

Infrastructure and welfare system not adapted to mobile population

The physical and digital infrastructure as well as the welfare system (schools, child care, elderly care, health sector, planning department, waste, sewage etc.) are primarily formed after permanent population figures, although a much larger population use it during the year.

To find a balance to satisfy both the permanent and temporary population is challenging in all the Nordic countries.

Rules and regulations not adapted to a mobile population

The public administrative system is adopted to a fixed permanent population and not to a population that flows between different places during the year. In our study this was indicated as a challenge by respondents in Denmark, Finland, Norway and Sweden.

For instance, respondents in Finland and Sweden note that the system directs the income tax (which is the higher proportion of the tax) to the municipalities where the person is permanently registered as a resident. This affects the resources available for the infrastructure and welfare system.

Rules and regulations are not followed by voluntary temporary inhabitants

This is challenging for the local and regional respondents as it hinders the municipality's ability to provide services and takes resources to inform second home owners and temporary inhabitants on their responsibilities.

For instance, people live in their second homes without registering in them, people build new property without applying for the right permits, people rent out the second homes more than the prescribed days and seasonal workers do not register in the municipalities they work in during seasons.

Competition between the housing market and the market for guest nights

The respondents in Iceland and Sweden highlight the competition on the housing market as challenging to deal with, but in slightly different ways.

In Iceland, the competition between second home rentals and hotels and guest houses need further monitoring from public administration.

In Sweden, it is rather the competition between new second homes and new permanent homes that needs further monitoring.

Developing and implementing sustainable tourism

Respondents are worried that the natural resources that attract tourists are degraded with too many tourists.

Further, respondents in Norway and Sweden find it a bit challenging how to make best use of the environmental legislation in place. New constructions are degrading the right of public access and the ecosystems in the landscapes.

This calls for proactive and long-term collaborative planning to find a sustainable balance of the tourism development.

Strategies and actions to turn challenges into opportunities for local and regional development

- Hard government tools
- Targeted governance tools
- Soft governance tools

Hard government tools

- Strategic efforts, planning and environmental legislation are available to secure the sustainability of the development.
- Property taxes for second homes (a fee in Sweden).
- Strategic and land use planning (i.e. spatial planning).



Grímsnes og Grafningshreppur municipality, IS
Photo: Johannes Lidmo

Targeted governance tools

- Flexible opening hours during the year is used in the service and health sectors.
- Maintain and develop the physical and digital infrastructure.
- Iceland, do not have the same seasonal variation, the strategy is rather to prioritize certain routes and areas that have many visitors.
- In Härjedalen in Sweden, a targeted strategy is to prioritize the permanent population regarding the plot line for housing and discounts on the fees for roads maintenance.



Soft governance tools

- Committees for dialogue
 - to ease potential disputes over resource use
 - to harness the opportunity of second home owners
 - to create awareness of the significance of tourism
- Further communication and dialogue between businesses, politicians, and between administrative units are also mentioned as ongoing actions in the country cases studied.



Härjedalen municipality, SE
Photo: Johannes Lidmo

Conclusions

- In all five case studies the interviewees stress that the second homes are overall a positive asset for the municipalities in terms of job creation, cultural activities and services.
- At the same time, it is proven challenging to adapt the welfare system and services to large flows of voluntary temporary inhabitants.
- Identifying the challenges in a collaborative manner can help to cope with them.
 - Discussing what the challenges consist of in a multi-actor format with the aim to find context adapted strategies and actions can turn them into opportunities.

Conclusions

- The second home mobility and the flows of people for seasonal tourism are both urban and rural, at the same time.
- To uphold the dichotomy between urban and rural does not give room for a more complex understanding of the relation between municipalities.
- This motivate us to recommend that policy makers and decision makers should discuss if income taxes should be shared between municipalities, based on the locations of the permanent and the second homes.
- The main rationale behind this suggestion is that the infrastructure and welfare system then would be better adopted to the annual population.

Questions or comments?



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For more information and details, see coming project report

Thanks.

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Project homepage

<http://www.nordregio.org/research/urban-rural-flows-of-seasonal-tourists-local-planning-challenges-and-strategies/>

