

**Cross Party Group in the Scottish Parliament on Rural Policy**

**Tuesday 10<sup>th</sup> December 2013**

**5.45-7.30pm, Scottish Parliament Committee Room 4**

**Rural Poverty and Disadvantage**

**Minutes (Approved)**

**Present**

Alistair Nicolson	Highlands and Islands Enterprise (speaker)
Di Alexander	Rural and Island Housing Association Forum (speaker)
Gary Ellis	Coalfields Regeneration Trust (speaker)
Shane Doheny	Wales Rural Observatory, Cardiff University (speaker)
Mark Shucksmith	Newcastle Institute for Social Renewal, Newcastle University (speaker)
Alex Fergusson	MSP (co-convenor)
Jim Hume	MSP (co-convenor)
Graeme Dey	MSP (co-convenor)
Jean Urquhart	MSP
Andrew Brough	Estate Manager, Buccleuch Estates, Selkirkshire
Andrew Prendergast	Plunkett Foundation Scotland
Andrew Stevenson	Scottish Government
Barbara Stütz	Nourish Scotland, Policy Officer
Bryan McGrath	Scottish Borders Council
Daniel Gotts	Scottish Natural Heritage
Denise Burns	Big Lottery Fund
Ellie Brodie	SRUC/Independent consultant
Eric Samuel	BIG Lottery
Fiona Mackenzie	University of Highlands and Islands
Frank Beattie	Scottish Enterprise
Frank Strang	Scottish Government
Helen Chambers	Inspiring Scotland
Helen Young	University of Stirling
Iain Bolland	
Ian Macdonald	Chair of the Borders Foundation for Rural Sustainability
Jamie Dent	D&G Small Communities Housing Trust

Jamie Stewart	Scottish Countryside Alliance
Jan Noble	L Mancha Community Association
Jane Atterton	SRUC
Jane Smernicki	SRUC
Jason Rose	Scottish Green Party, Head of Media
Jenny Brotchie	Carnegie Trust UK
John Watt	Director of High Life Highland (formerly of HIE)
Kirstie Farmer	National Cedar Project, Scottish Women's Aid
Laura Stewart	Soil Association
Madhu Satsangi	Stirling University
Marianna Markantoni	SRUC
Mike Wilson	Stirling University
Mike Woolvin	SRUC
Norman MacAskill	Scottish Council for Voluntary Organisations
Patrick Krause	Scottish Crofting Federation
Peter Ross	Dumfries and Galloway LEADER
Ross McLaren	Scottish Churches Rural Group
Sarah Bowyer	University of the Highlands and Islands
Siân Ringrose	SRUC
Sarah Skerratt	SRUC
Stephen Pathirana	Scottish Government
Tom McAughtrie	Coalfields Regeneration Trust
Tony Huggins-Haig	Arthouse Galleries
Vanessa Halhead	

## **Apologies**

Annabelle Ewing	MSP
Claire Baker	MSP (co-convenor)
Jamie McGrigor	MSP
Richard Simpson	MSP
Alistair Prior	Scottish Government
Alistair Stott	SRUC
Andrew Paddison	SRUC
Archie Stewart	Landmaps
Artur Steiner	SRUC
Bruce Wilson	Scottish Wildlife Trust

Charles Dundas	Woodland Trust Scotland
Colette Backwell	Scotland Food and Drink
David Cameron	Community Land Scotland
David Gass	Upper Quartile
David Watts	University of Aberdeen
Derek Logie	Rural Housing Service
Douglas Scott	Scottish Borders Council
Lorna Philip	Geography, University of Aberdeen
Eric Calderwood	University of Stirling
Euan Leitch	Built Environment Forum Scotland
Ewan Green	Dumfries & Galloway Council
Graham Blythe	European Commission Office in Scotland
Greg McCracken	Age Scotland
Helen Young	University of Stirling
Jamie Stewart	Scottish Countryside Alliance
Jan Noble	Lamanca Community Association
Jane Smernicki	SRUC
Jason Rose	Scottish Green Party, Head of Media
James Ogilvie	Fc Scotland
Maggie Gordon	D&G LEADER
Martin Price	Perth College UHI
Davy McCracken	SRUC
Geoff Simm	SRUC
Rob McMorran	SRUC
Stephanie Graf	SRUC
Stephen Pathirana	Scottish Government
Tom McAughtrie	Coalfields Regeneration Trust
Tony Fitzpatrick	Crichton Institute
Wendy Kenyon	SPICE
Willie Fergusson	Lantra
Jonathan Wordsworth	Archaeology Scotland
Stephen Graham	Highland Council
Gemma Davis	Game and Wildlife Conservation Trust
Karen Dobbie	SEPA

## **1. Welcome, Introduction and Apologies**

Alex Fergusson MSP (AF, chair and co-convenor) welcomed all participants to the second meeting of the CPG on Rural Policy in 2013-14. AF noted the presence of Jim Hume MSP (Group co-convenor) and that Graeme Dey MSP (co-convenor) would be joining the meeting later.

He informed the Group that, due to a change in decision time in the main chamber, the MSPs present would have to leave the meeting for a short time, but they will then return.

AF asked if anyone present objected to their photo being taken; there were no objections.

Several apologies had been received by SRUC in advance of the meeting, and these will be noted in the minutes. Apologies had also been received from Claire Baker MSP (Group co-convenor).

## **2. Matters arising and approval of the minutes from the last meeting (1<sup>st</sup> October 2013 – The SRDP 2014-2020)**

AF noted a couple of matters arising from the last meeting. First, the Standards, Procedures and Public Appointments Committee wrote to AF in October 2013 to confirm that they had written to the Scottish Parliamentary Corporate Body to seek its view on a 12 month piloting of VC for this CPG. The Committee has requested a response from the SPCB by 24 January 2014.

Second, AF put in a request to the Standards, Procedures and Public Appointments Committee for responses from Ministers to letters sent on behalf of this Group to be published on the Group's website. Unfortunately this request has been denied.

The minutes of the last meeting (1<sup>st</sup> October) were circulated to all CPG members on 18<sup>th</sup> October with comments, amendments, etc. requested from those present. No comments had been received. AF proposed the minutes as a true record of the meeting, and this was seconded by Jim Hume MSP (JH). The minutes were accepted as a true record of the meeting. The approved minutes will be posted on the [Group's website](#) as soon as possible.

## **3. 10 minute presentations (followed by discussion)**

The four presentations focused on varying aspects of rural poverty. The key points are detailed below:

- a) ***Alastair Nicolson (Head of Planning and Partnerships, HIE) and Di Alexander (Chair of the Rural and Island Housing Association Forum): A Minimum Income Standard for Remote Rural Scotland – emerging policy implications (slides***

**available to download on the [CPG's website](#)**: Alastair Nicolson (AN) explained that the minimum income standards (MIS) work was a partnership piece of work involving 10 public bodies, enterprise agencies, local authorities and housing bodies, following on from work done south of the border, including by the Joseph Rowntree Foundation. The aim was to identify the components of extra cost associated with living in rural Scotland, and the policy levers that could be pulled to try and address the key challenges. The MIS is what is regarded as a socially acceptable standard of living; not just surviving but being able to participate in society. The main headline of the report is that the cost of living is 10% to 40% higher in remote rural Scotland than it is in the rest of the country. The sources of additional costs vary for different groups. For example, for young people, the cost of travel to work is a significant extra cost; for older people, and particularly those less able to travel, the higher cost of retail goods within the local area is significant. Domestic heating costs are a considerable extra burden on all households, due to houses being off the gas grid. The project's steering group is continuing to meet to discuss the policy issues coming out of the report and how to tackle the challenges. The key issues that the group is discussing include: population and migration trends; reducing social exclusion (including amongst the elderly); housing and energy issues; broadband, and childcare provision.

Di Alexander focused on housing and energy issues to arise from the MIS work. He noted that rents must be kept at affordable levels for rural people, particularly as earnings are often low. He noted the finding from the report that, if you are on minimum wage, even nil rent would not be enough to bring you up to the minimum income as determined by the MIS findings. He also noted that on Skye, the average electricity and heating bill is £4,200 per annum, compared to £1,400 in Scotland. These high running costs impacts negatively on housing affordability. Di discussed geographical variations in heating tariffs, with rural areas generally paying more than cities. Also, dual fuel discounts tend not to be available in rural areas, creating underlying inequities within the system. He also noted work being done in rural Scotland, including on Skye, to provide advice to households on achieving 'affordable warmth' which involves a number of things, including: insulating the building fabric; controlling unwanted ventilation; installing an efficient and easy to use heating system; making sure the occupiers have good energy saving habits; and ensuring that the best choice of tariff is made for that house.

- b) **Gary Ellis (CEO, Coalfields Regeneration Trust): Deprivation in the Rural Coalfields (slides available to download on the [CPG's website](#))**: Gary Ellis (GE) started his presentation by noting that most mines were in rural locations. The Trust acts as a champion for coalfield communities, focusing particularly on areas of greatest need. Often the issues facing coalfield communities are long-term, and they may have been exacerbated by the current economic climate which also threatens to undermine many of the advances made in terms of regeneration and investment in coalfield communities. The Trust's emphasis is on building capacity within communities to ensure that regeneration efforts are led by the local community. Trust schemes include the Coalfields Community Investment Fund (which provides grants of up to £10,000) and the

Community Futures scheme which particularly targets hard-to-reach communities that have tended not to have received support in the past. The Scheme supports them through a consultation period and the creation of a community action plan. The key issues facing coalfield communities include: long-term worklessness; high proportions of people on benefits; a dominance of low-skilled, low-paid work locally; health inequalities; inadequate access to services; and a weak enterprise culture. On the other hand, coalfield communities often have a strong sense of place, with people passionate about their local community and seeing it improve. Key to tackling all of these challenges is that external organisations, such as the CRT, demonstrate confidence in the local community to know what's best.

c) ***Shane Doheny (Wales Rural Observatory, Cardiff University): Older People and Poverty in Rural Britain (slides available to download on the [CPG's website](#)):***

Shane Doheny (SD) presented research based on older people and poverty in rural places in Wales. Since early research work in the 1960s, levels of poverty have fallen such that approximately 26% of single pensioners and 20% of pensioner couples are now in poverty, compared to 23% of people of working age. Nevertheless, there are some distinctive features of poverty amongst older people: poverty is less dynamic (i.e. older people who get into poverty are less likely to get out); older people may suffer from lack of access to community (or social) capital and community groups and networks, yet they place importance on their local community relationships and high value on their local community; lower levels of involvement in the labour market; low expectations and the normalisation' of living with lower incomes; a culture of self-sufficiency; and a higher sense of place amongst older people in poverty, but more limited face-to-face interaction. The research found considerable variation in the income levels of older people, and a predominance of women amongst the single person households in poverty. Home ownership could bring older people a sense of security but also worries associated with maintaining the home, while some older people in poverty still required to have access to a private car if public transport provision was poor. Interestingly, the research found that many older people in poverty were coping well and living comfortably compared with those not on low income (although this often required people to be very careful with their spending to ensure that the necessities were always covered), and that older people on low income were more positive about their quality of life than those not on low income. Often poverty was described in a relative way – many older people in poverty described being better off now than they were in their childhood for example.

d) ***Professor Mark Shucksmith OBE AcSS (Director of Newcastle Institute for Social Renewal, Newcastle University): Rural Disadvantage: Some challenges ahead (slides available to download on the [CPG's website](#)):*** Mark Shucksmith (MS) started his presentation by highlighting the movement of people in and out of poverty. He emphasised that poverty was not simply a case of a small under class always being poor, but something that affected and threatened a much broader section of society – with a third of the rural population in Britain being identified as going in and out of

poverty. Supporting SD's findings, MS noted that pensioner poverty has declined substantially in recent years.

MS highlighted that one of the challenges was getting those eligible to claim their benefit entitlements. He also reiterated that AN/DA's argument regarding low pay in rural areas continues to be a very big challenge.

Drawing on his work for the Countryside Agency/Commission for Rural Communities (CRC) in England during the 2000s, MS focused on four key aspects of poverty: *financial poverty* (including no wages, low wages, small pensions and collecting benefit entitlements), *access poverty* (focusing on access to transport and services), *network poverty* (a lack of informal contact, the loss of public space, families being split up due to housing market pressures), and *attitudes and perceptions* (which may lead to a lack of recognition of disadvantage).

Since 2010, a number of issues have affected levels of poverty and disadvantage: the cutbacks in public expenditure across the UK; cuts in welfare payments, housing and transport; the capping of benefit payments; reform of the NHS (i.e. marketisation and the increased involvement of private providers); schools reform (changes to the funding formula mean that many rural schools will likely close south of the border); the bonfire of the quangos in England, including the CRC; and the de-regulation of planning.

Recent work by Cambridge University on the impacts of welfare reform on rural areas revealed three main findings: the impact of the 'bedroom tax' will be higher in rural areas due to a shortage of smaller houses; the increase in age (from 25 to 35) for receiving to housing benefit at 'shared accommodation rate'; the collapse in the supply of affordable rural housing (which was already lower than demand prior to the downturn).

Recent work by the CRC on older peoples' poverty revealed the importance of social isolation as a contributory factor. Other research at the same time revealed that social isolation has an equal affect on your health as smoking in terms of mortality. Housing and transport costs were also important in contributing to poverty amongst older people.

MS reported that fuel poverty has been found to be the main difference between rural and urban areas in terms of contributing to poverty. While higher retail prices were expected to be important, research has shown that this isn't the case as people (who can) tend to shop in cheaper supermarkets elsewhere. MS finished his presentation by emphasising how poverty in work and child poverty have increased in recent years (according to figures from the ONS at UK level, child poverty increased by 13% last year). The data suggests that as you move from urban to rural areas, you find that more and more of the people who are in poverty are working, largely due to the low wages in rural areas, the dominance of part-time working, casual employment etc. In 2010, the data suggests that two thirds of the people in poverty in rural England were in work.

Some recent changes may have positive impacts on levels of poverty, including the localism agenda and changes to the planning framework in England, Defra's Rural Growth Network pilot projects, and the commitment to improving broadband. There is also evidence to suggest that rural economies may be more resilient in an economic downturn than urban economies. However, significant challenges remain in terms of tackling already high – and increasing – levels of poverty in rural areas of the UK.

- Mike Wilson (PhD student, Stirling University): outlined his research which is exploring the predictors or triggers for people getting into poverty and the length of time that people are in poverty for.
- Helen Chambers (Inspiring Scotland): reflected on the importance of building capacities within communities and the importance of network poverty, and outlined a programme of work that Inspiring Scotland has been involved in recently to improve social connectivity in disadvantaged communities.
- Kirstie Farmer (National Cedar project, Scottish Women's Aid): outlined the Cedar Project, a community group programme for children and their mothers who have experienced domestic abuse. Some of the target communities are in rural locations, which has raised a number of issues for the project, including around the transportation of individuals to group meetings and confidentiality.

Questions and discussion focused on the following issues:

- The myriad ways in which government (broadly defined), working with other stakeholders, can support people to get out of poverty, including through free transport and personal care for the elderly, encouraging people into work (recognising the need for that work to be secure, well paid etc), improving access to and information on benefits entitlements, ensuring an adequate supply of affordable housing etc. Some interventions may work better in particular locations or with particular groups in the population, than others. There is a *need to share lessons and information from successful projects that seek to bring people out of poverty*.
- The importance of *tackling high fuel costs for rural households* as these may be considerably higher than urban households and may make up a substantial proportion of household expenditure. This may require action by a range of stakeholders, including Government, local authorities, private landlords, energy companies, etc. Affordable warmth is critical when considering affordable housing, as the latter must also apply to the costs of running the household as well as purchasing the house.
- The importance of *building community resilience* to enable communities to define, and, where possible, meet their own aspirations and to move forward. It is arguably more important to *focus on assets* (rather than needs) when seeking to build resilience and capacity. Building capacity locally may require the positive involvement and support of external stakeholders and organisations. Building capacity across all communities is critical to ensure that we are not in a situation where inequalities between places are growing.



- *Building social networks and social capital* is critical to reducing social isolation, disadvantage and building capacity. This is particularly important for those residents who are not mobile. Some rural areas may be in a better position than urban communities in terms of having stronger social networks locally, although these have been undermined by recent social shifts, such as the closure of churches and other community facilities.
- The *potential of technology* to help reduce disadvantage as many services move online and as technology can be used to keep in touch with distant (and close) family and friends. Of course, this relies on adequate infrastructure and the right training and support to be in place.
- The importance of *ensuring a strong and diverse economic base exists* in rural communities which will help to provide a range of employment and ensure that income is generated which is then spent locally.

**Action: AF noted that, building on a suggestion that it would be useful to prioritise the issues raised here, SRUC will prepare and circulate a short poll asking participants to prioritise the key issues discussed.**

**Action: AF requested that SRUC add a link to the Royal Society's recent 'Spreading the benefits of digital participation' report on the page for this meeting of the CPG, noting that the Society is looking for comments by February 8<sup>th</sup> 2014.**

AF thanked participants for their contributions from the floor, and acknowledged particular thanks to the speakers, all of whom had travelled considerable distances to present at the meeting.

#### **4. AOB**

No items of AOB were noted.

#### **5. Date of next meeting (Wednesday 19<sup>th</sup> February: Planning and Rural Economic Development)**

Subsequent meetings:

- Wednesday 21<sup>st</sup> May: Coastal Community Regeneration