



Environment and Rural Development Committee

18th Meeting, 2005

Monday 13 June 2005

The Committee will meet at 2.00 pm in Brechin City Hall, Brechin.

1. **Inquiry into rural development:** The Committee will take evidence from—

Panel 1

Andrew Bruce-Wootton, Deputy Chairman and General Manager of the Atholl Estate, Scottish Estates Business Group;

Richard Cooke, Dalhousie Estates;

Mai Hearne, Chair, Angus Rural Partnership;

Mark Johnston, Angus Glens Website;

Panel 2

John Burt, Principal, Angus College;

Anne Mitchell, City of Brechin Partnership;

Mark Taylor, Chair of Brechin Business Association;

John Forster, Managing Director, Forster Roofing;

Panel 3

Mai Hearne, Chief Officer, Angus Association of Voluntary Organisations;

George Allan, Head of Service, Angus Citizens' Advice Bureau;

Dr E Cohen, Brechin Day Care Ltd;

Panel 4

Sandy Watson, Chief Executive, Angus Council;

Shona Cormack, Chief Executive, Scottish Enterprise Tayside; and

Callum McNicholl, Social Justice Manager, Communities Scotland.

ERD/S2/05/18A

Mark Brough
Clerk to the Committee
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The following papers are attached:

<u>Agenda Item 1</u>	
Briefing paper (<i>for members only</i>)	ERD/S2/05/18/1a
Submission from Scottish Estates Business Group	ERD/S2/05/18/1b
Submission from Dalhousie Estates	ERD/S2/05/18/1c
Submission from Angus Rural Partnership	ERD/S2/05/18/1d
Submission from Angus Glens Website	ERD/S2/05/18/1e
Submission from City of Brechin Partnership	ERD/S2/05/18/1f
Submission from Angus Association of Voluntary Organisations	ERD/S2/05/18/1g
Submission from Angus Citizens' Advice Bureau	ERD/S2/05/18/1h
Submission from Angus Council	ERD/S2/05/18/1i
Submission from Scottish Enterprise Tayside	ERD/S2/05/18/1j
Submission from Communities Scotland	ERD/S2/05/18/1k

SUBMISSION FROM SCOTTISH ESTATES BUSINESS GROUP

1. BACKGROUND

The Scottish Estates Business Group (SEBG) represents a group of progressive land-based estates with significant agricultural and rural business interests. It aims to promote a modern business approach in the management of Scotland's land resource in ways which deliver social, economic and environmental benefits. The Group seeks to secure a sustainable and prosperous future for rural areas.

2. CONTRASTING RURAL AND ACCESSIBLE RURAL COMMUNITIES

Despite in many cases not being separated by great distances, rural and accessible rural communities show very different characteristics and have very differing needs. Rural communities tend to be less well served than “satellite” developments. They may benefit from tourism – “honey pot” locations – but they are distant from their markets and draw little benefit from economically vibrant regional centres. Accessible rural communities, by contrast, are by definition relatively close to their markets and therefore offer much greater prospect of business opportunity and development locally. They tend to be more affluent – commuters use them as dormitories, providing an economic dynamic. The needs of each are different, so require different solutions.

Issues

i Maintaining the local economy

For the rural community, the local garage or village shop will be the centre of social as well as economic activity. As the focal point of the community, the business is more likely to be able to survive. Indeed, they are likely to be a prerequisite for community development.

By contrast, village shops in accessible rural locations are much more challenged, and may be unviable when cheaper produce and commodities are available in nearby towns. Because of the greater affluence of those living in accessible rural areas – a large proportion of the community will be commuters with better-paid jobs in the towns and cities – local jobs are less scarce.

ii Availability of key trades

Jobs in rural areas tend to be scarce and the availability of skilled tradesmen, such as plumbers or electricians, is limited. Young families very often are reluctant to settle in rural communities, so local employers find it difficult to

retain key workers. Accessible rural areas tend to be better served, being able to draw on the services and key tradesmen skills available in the nearby town or city, as well as being able to support thriving small businesses through their greater relative affluence.

iii Sustainability of communities

Youngsters are reluctant to remain in their rural communities, being more likely to migrate to towns and cities where not only are job opportunities more varied, but leisure and social facilities are much more plentiful. Where housing is available, accessible rural areas find it much less difficult to retain youngsters, since the availability of public transport means access to nearby centres of population is much easier.

iv Housing

For rural areas, the availability and affordability of local housing tends to be much less of a problem than lack of suitable employment opportunities. Conversely, housing is probably the most difficult issue faced by every accessible rural area. A trend seen across many parts of rural Scotland in recent years has been the inflation of property prices through proximity to centres of population and economic activity. With town and city dwellers increasingly moving to nearby country areas for a better quality of life and commuting to their jobs in the towns and cities, the consequence has been rapidly increasing house prices and shortages of affordable accommodation to let in accessible rural areas. Locals have been finding themselves priced out of the local housing market.

3. COMBINED EFFECTS

The above issues don't act in isolation, but combine to undermine the social fabric of rural communities, both rural and accessible. Those in remote areas feel compelled to move to more urban areas for a more prosperous living, whilst the more economically more active can choose to leave urban areas for more rural locations for a better lifestyle.

As a consequence, rural areas, despite their high level of social cohesion, find it more difficult to develop and grow through lack of business opportunity, whilst accessible rural – or satellite – developments exhibit less of a feeling of community, little social cohesion and decreasing common interests.

Resistance to change is often most evident in accessible rural communities – those who have chosen to move to the nearby countryside do not want to see it change or expand, so further growth or development is resisted or stifled. This resistance to change by incomers can cause friction when it conflicts with the aspirations of those who are pressing for development, and can lead to fragmentation of the local community.

4. DIFFERENT NEEDS

Clearly, the differing needs of rural and accessible rural areas need to be addressed in different ways.

Because of the long term decline of traditional land-based industries, rural areas need new jobs as a way of encouraging families to stay in rural communities. Availability of housing is much less important than how a living might be earned, outwith the tourism “honey pot” areas. Such areas would benefit from closer involvement by economic agencies including Scottish Enterprise and Highlands and Islands Enterprise in order to nurture business opportunity and development.

For accessible rural areas, the availability of jobs is much less of a problem, as people will always want to live there. The main issue to be tackled is the lack of affordable accommodation for key workers, those not employed in the city, to enable them to stay locally and provide services and key skills. Communities Scotland has much more of a role to play here.

5. ROLE OF GOVERNMENT

With different issues faced by the different types of rural community, differing solutions will be required. For remote and rural areas, support which underpins economic development, opportunity, or improved transport links may be central to practical solutions which bring such communities closer to prospective markets. For accessible areas, economic drivers are far less important, with needs focusing on housing.

All Government policies – whether promoting economic development, social inclusion, improved transport facilities or better health or education – impact on rural areas, but the differing needs of different types of community should be taken into account when such policy is being developed and rolled out. Government thinking needs to be much more strategic or “joined up”, with every policy “rural proofed” – that is, its impact on rural areas assessed as part of the process of policy development. It should not be left to SEERAD alone to tackle rural development.

This applies in particular to planning and development policy. There is pressure on villages to expand, but those that grow into satellite dormitories risk losing their original concept of community. The key issue is how villages can be encouraged to grow in an organic way. The driving force should not be convenience – it might be easier to allow a new development of 200 houses only 15 minutes away from a population centre, when what may be more suitable for the wellbeing of villages are smaller developments that are spread further away, allowing local schools and post offices to stay open and communities to live.

The availability of suitable public transport also plays a key role. As communities expand to occupy outlying areas, additional transport provision

linking those areas with the main centres of employment is crucial if their communities are to share in the benefits of economic development.

6. ROLE OF PROGRESSIVE ESTATES

Scotland's Estates and the communities in which they are based are mutually dependent, their future health and prosperity inextricably linked. But the type of support Estates are able to offer their local communities will vary according to location. In rural areas, Estates have traditionally created employment opportunities to support their local communities and to help stimulate the local economy. For accessible rural areas, by contrast, their main contribution has been the provision of affordable accommodation for key workers.

More recently, the progressive Estates have been taking an active role in working with and supporting community involvement and interaction, along with an increasing involvement with agencies at a regional and national level to help in developing a framework for prosperity.

SEBG believes that estates have a vital role to play in the ongoing and future development and prosperity of Scotland. Estates are proven business models that assist the development of smaller rural businesses, and SEBG members work hard across Scotland to stimulate enterprise and economic development. Working with Government and public sector agencies, we aim to bring practical support and help champion pragmatic solutions to address the issues faced by our rural communities, whether remote, rural or accessible rural.

SUBMISSION FROM DALHOUSIE ESTATES

I have an interest in the rural economy at two levels. Firstly, at the national level, I have recently retired as a member of the Deer Commission for Scotland, I am a former member of the Cairngorms Partnership and a current member of the National Moorland Forum and National Access Forum and of the Country Sports Tourism Group. I am also Secretary of the Association of Deer Management Groups (ADMG) a position I have held since 1992. ADMG is the representative and co-ordinating body for the deer management industry in Scotland.

At a local level I am the Factor for Dalhousie Estates, in effect the general manager for a diversified rural family business occupying land at Brechin, Edzell and in Glenesk and covering approximately 50,000 acres in all. I also act as Factor for a number of other rural estates in the area. Dalhousie Estates has been owned by the Earl of Dalhousie and his family over many generations. In its current form it embraces traditional land use businesses including agriculture (2000 acres), forestry (1500 acres), also the management of low ground and upland sporting rights and fishings, as well as the letting and management of agricultural and domestic property. More recently the business has diversified with the setting up of Brechin Castle Centre, a garden centre, restaurant and country park; also Brechin Castle Equestrian, a riding centre. A number of other diversification ideas are under consideration.

Together the businesses comprised in Dalhousie Estates have an annual turnover in the order of £3.5 m and provide employment for a labour force of around 100, made up as follows:-

Agriculture	6
Forestry & Contracting	5
Property Maintenance	1
Management of Sporting Rights	9
Self catering accommodation (4 units) (part time)	2
Gardens & Domestic Staff	4
Brechin Castle Centre (full/part time)	60
Brechin Castle Equestrian	3
Administration	6

The estate also provides work for local tradesmen and suppliers.

The local economy in North Angus has suffered as a result of the decline of the jute industry and subsequent manufacturing activity over the last 50 years. Agriculture and land management remain important economic activities locally but have declined steadily over recent decades. The future of farming in the area, and UK wide, remains fragile and unpredictable and agriculture related employment has fallen to a fraction of post war levels and is likely to continue

to do so taking into account the extensive farming options now available under the Single Farm Payment Scheme.

Like farming forestry is an increasingly marginal economic activity, heavily dependent on grant and subsidy. Government policy for forestry and woodlands has changed markedly in recent years from promoting timber production to a growing range of environmental and recreational objectives. Direct full time employment in forestry in North Angus is small.

On the other hand, among the traditional land uses the management of sporting rights has remained relatively stable and in some cases has indeed increased. Sporting management is unsubsidised and in some cases is not pursued for purely commercial reasons being associated with the enjoyment of estates and farms. It makes a significant economic and environmental contribution in this area although, being dependent on natural resources, it is often unpredictable.

Like many land based businesses throughout Scotland, Dalhousie Estates has had to adapt to survive and has done so by diversifying its activities. While it has significant continuing farming, forestry and sporting enterprises the addition of Brechin Castle Centre in 1996 and Brechin Castle Equestrian in 2001 have created important new potential profit centres to maintain the overall family business. Brechin Castle Centre in particular, has led to a substantial overall increase in estate employment and it is now a significant local employer. Of the current annual footfall of around 400,000 visitors the great majority are local, the balance being passing trade on the A90 and tourist visitors during the summer months.

Tourism is often considered to represent an economic opportunity for the rural parts of Scotland. Angus has a number of important and well known visitor attractions but, being off the main tourist routes and as yet lacking the critical mass to be a destination area is at a disadvantage despite creditable efforts by Angus Council, the local tourist board and many local businesses. Tourism offers new opportunities in the Brechin area, but the shortage of tourist accommodation is a constraint. The conundrum is that there is insufficient tourist business at present to justify heavy investment in such accommodation.

As a case study on the local economy, Dalhousie Estates is closely associated with the community in Glenesk, one of the very few remaining viable Highland communities, having a resident population of around 120. There are 24 full time and 17 part time jobs within the Glen, including agriculture (9) (only 2 full time), game keeping (16) (increased from 13 in 2002), water treatment works (3), School teacher (1 + 1 part time), Glenesk Folk Museum (1 full time – 6 part time seasonal), Lodge work (1 full time – 3 part time seasonal). In addition to this regular employment, during the shooting season there can be up to 100 temporary jobs for domestic staff in 3 shooting lodges, also grouse beaters, loaders and stalking ghillies.

Tourism is also important. The Glenesk Folk Museum is an important visitor attraction and accommodation is available in a number of holiday cottages and an excellent bed and breakfast as well as a caravan park at the foot of Glenesk

It should be noted that continuation of this employment and the viability of the Glen community depends on the future of agriculture and the willingness of landowners to meet the annual deficit cost of running the 4 sporting estates in the Glen. The recent break up of Gannochy Estates has been a matter of much local interest and concern and has had both positive and negative effects.

As for the local economy in and around Brechin, like many bypassed towns where the traditional industries have disappeared, Brechin suffers from underinvestment, a steady decline in small local businesses, shops in particular, lack of parking and generally low morale among its population. However there are a number of thriving local businesses. Angus Council have taken a number of initiatives to promote the regeneration of the town and hopefully these will bear fruit over time. In particular they acquired from Dalhousie Estates in 1999 an area of 42 acres for development as a business park. Although uptake of sites has been slow the Angus Digital Media Centre which is located there is now a recognised centre of excellence. The Council has also invested in environmental improvements within Brechin and has set up a visitor attraction, Pictavia, on a site shared with Brechin Castle Centre. The current Draft Local Plan provides a framework for further business development and has also identified areas for new housing. It is to be hoped that, with the provision over time of good quality additional new housing and with the introduction of new businesses, the economy of Brechin may improve and that the town will thrive again.

SUBMISSION FROM ANGUS RURAL PARTNERSHIP

Angus Rural Partnership (ARP) was formed in 1996. It is a partnership in every sense of the word, with representation from the main statutory and voluntary groups in Angus. Over the years it has prioritised rural community development and can chalk up a range notable successes for communities in Angus. ARP is now part of the Angus Community Planning Partnership and this facilitates greater rural community involvement in community planning.

ARP Members are drawn from the following organisations:

- Angus Assoc of Vol Orgs (AAVO)
- Farming and Wildlife Advisory Group
- Forestry Commission
- National Farmers Union Scotland
- Scottish Natural Heritage
- Communities Scotland
- Scottish Enterprise Tayside
- Angus Community Planning Partnership
- Angus Council Planning Dept
- Angus Council Housing Dept
- Angus College
- NHS Tayside
- Visit Scotland – Angus

ARP is a partnership body with a dedicated Development Officer; direct links to Angus Community Planning Partnership and involvement in rural community activities. (Angus Glens Walking Festival being the most recent – June 4/6th 2005). The ARP Development Officer is in the Community Planning Team in Angus and thus is part of the ‘joined up’ process which underpins structured community development in Angus.

ARP fulfils a key role in Angus rural activities; whether it is helping to establish skills and partnership working in rural areas *or* promoting community enablement and engagement.

A sub-group of ARP partners is currently working on the Rural Strategy document - being updated from the earlier Tayside Rural Strategy and Angus Rural Strategy. Already it is clear that some of the current changes in rural life (eg property price boom; farming subsidy changes; eco tourism and environmental politics) were not ‘hot’ issues when ARP was formed in 1996.

Clearly, the importance of Angus Rural Partnership to rural community development in Angus cannot be understated – it is fundamental to so much of what *all* of the partners are resourced to do.

These partners, in turn, link to other agencies and thus provide a strong and vibrant network of organisations dedicated to the many and varied aspects of rural community life. With all of the current and often competing, demands on people in rural Scotland, a partnership of organisations ensures that rural community voices are not just heard, but listened to and acknowledged.

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**Environment and Rural
Development Committee**

13 June 2005
ERD/S2/05/18/1e

SUBMISSION FROM ANGUS GLENS WEBSITE

I am a parent of primary and secondary school aged children and I am self-employed. I have lived most of my life in rural areas, my partner has always lived in small rural communities.

As well as the Angus Glens Website I have been involved in the Menmuir Hall Committee, Inveresk Community Council, a renewable energy for village halls project, computers/training/internet/broadband for village halls. My focus is more on Community Development than Economic Development. I feel that without strongly supported rural schools, halls and local services it is hard for a rural community to maintain a focus and identity - vital to any form of sustainable development.

Rural poverty (esp. poor housing/fuel poverty) co-exists with very high housing prices. If local people cannot afford local housing then it is difficult for young people to stay or return.

Nobody (or at least very few) want a development free for all but few would object to houses which have fallen into disrepair or been demolished being replaced by (a percentage of) affordable housing) - far more people lived in these areas in the past.

Farmers need support to diversify - particularly support for projects which employ people or are innovative/environmental (eg. bioenergy).

SUBMISSION FROM THE CITY OF BRECHIN PARTNERSHIP

The City of Brechin Partnership brings together local organisations to help create a friendly, vibrant and welcoming city for residents, visitors and businesses alike.

Development Aims

Local people would love to see the return of the “good old days” when Brechin had engineering, textiles, a large teaching hospital and an American Naval Base all of which provided employment and helped sustain the retail sector in the City. However we must be realistic and focus on what we can do

- secure support for indigenous businesses to help them grow
- seek financial support to encourage new sustainable enterprises
- develop tourism potential
- ensure the City is promoted in a positive way locally, regionally and globally

Challenges

❖ Business

Brechin with a population of 7000 is in a difficult situation in the search for any form of support. Despite the goalposts changing frequently for support packages, Brechin is too big to be rural and too small to be urban so fails to score. Scottish Executive, Scottish Enterprise Tayside, Angus Council and other agencies rightly seek to gain maximum impact from their budgets and small burghs like Brechin do not appear to satisfy this requirement. 1 major new company employing 100 people is big news in a major city but 1 small company employing 2 additional people is equally big news for a small city like Brechin but it does not provide the maximum impact for the agencies.

Small businesses who identify a niche market and are willing to take the risk of expansion and employing more people but have insufficient funds find it difficult to satisfy the “maximum influence on the local economy” requirements of some types of support.

Possible solutions

Review the definition of rural to ensure that small to medium sized burghs are eligible for different forms of support. Brechin and hinterland qualify for some European funding e.g LEADER+ but not for Scottish Executive and other agencies’ support.

Enable flexibility in funding regimes to allow business with less than 5 employees to access financial support and long term after care/mentoring where required.

Provide a rising scale of business rates (possibly over 4 years) so that businesses can establish themselves before having to pay full business rates.

❖ **Population, Housing and Transport**

Brechin has a declining and aging population

Lack of local employment opportunities leads to people finding work out of the town and often choosing to settle near their employment. Reasons behind this include poor public transport to cities with opportunities eg Dundee and Aberdeen, high cost of owning and running a car.

The right to buy creates considerable pressure on availability of affordable housing.

Brechin has a low lying residential and industrial area for which excellent flood prevention plans are in hand. It is essential that all partners make this an integrated high priority project so that there are no delays with the works.

Some rural areas experience problems when applying to build eg on farms. This impacts on the economy of rural areas.

Possible solution

Encourage the building of new houses both private and public. Although the residents may be commuting to work they contribute to the local economy and help combat population loss, sustain schools, local services and the local economy.

Improved public transport, subsidised direct service to Dundee complimented by good links to main public service from the more rural areas and villages.

Petrol costs in rural areas should be the same as in cities- a personal car is not a luxury but an essential in a rural area.

Grants to help make all public transport accessible to people with mobility problems, wheelchairs and prams.

Ensure the flood prevention scheme is treated as high priority by agencies eg Scottish Water

More flexibility with land zoning and rural building applications.

❖ **Employment and Tourism**

The loss of traditional industries, the long lasting effect of the closure of American base at Edzell and run down of services at Stracathro Hospital has not been compensated by new major employers. The recent plans for Stracathro are welcome but will not provide the level of employment previously enjoyed as a large teaching hospital.

Brechin and the surrounding area have superb tourism potential. With the recent loss of local tourist boards, small rural areas may lose out in the Visit Scotland marketing campaigns. Focussing on attracting more visitors to the area would benefit the local economy, encourage new tourism related businesses and help create some more jobs. The area already has successful visitor attractions e.g. the Caledonian Railway, Brechin Cathedral and these need to continue to be supported and encouraged to expand.

Possible solutions

Support for the regeneration of the conservation area. A successful Townscape Heritage Initiative bid would provide this.

Positive marketing initiatives, paper based and electronically
Joint working with surrounding villages.

❖ **Education and Training**

Brechin is served by 2 primary schools and the local High School which draws pupils from a wide rural area.

The High School faces major challenges which if not addressed and supported will impact on the education now and in the future of young people in Brechin and its hinterland.

To access education and training people from Brechin and the surrounding area must travel. The local college provides transport from the Angus towns to Arbroath but again transport from the rural villages is an issue. It is difficult for colleges to secure sufficient numbers in rural areas to provide cost effective outreach services. Skill shortages exist in rural areas but as numbers are low compared to urban areas they are not tackled with the same enthusiasm. Training providers face the same numbers issue for outreach.

Possible solution

Recognition of the importance of support for schools facing major challenges. Continuing support for colleges and training providers to offer e-training and for rural people to have either home or easy access to e-technology.

Ensure that when housing or building contracts are awarded, the contractor agrees to provide training for local people in various trades.

❖ **Voluntary Sector and Community**

Brechin and the surrounding rural area have a variety of successful voluntary and community organisations but they all experience the same concerns regarding funding. When a successful projects comes to the end of its funding it is not always possible for local authorities or enterprise companies to mainstream the work being done so the success is lost. The success of some projects raises expectations in an area and on closure causes considerable concerns. Many projects though potentially beneficial are unable to attract funding because they are too small or are based in an area which does not attract agency funding. With the expansion of the European Union funding will become even more competitive

The rationalisation/centralisation of some services – banks, health, post offices has had a detrimental effect on rural areas.

Community facilities are vital in a small town/rural area. The town hall is often the heart of the community. It is where all local organisations can have their concerts, coffee mornings etc and provides a focus for the town.

Possible solution

Projects who meet SMART targets should be given core funding at the end of their initial funding.

Funding such as the Rural Halls Initiative should be available to small towns to ensure their community hall/s are well maintained

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SUBMISSION FROM ANGUS ASSOCIATION OF VOLUNTARY ORGANISATIONS

The Angus Association of Voluntary Organisations – AAVO – is the Council for Voluntary Service in Angus. We are core funded by the Scottish Executive – Voluntary Issues Unit (VIU) – to support community and voluntary groups and organisations throughout Angus. We are monitored and evaluated annually by the Scottish Council of Voluntary Organisations (SCVO) on behalf of the VIU. In addition to our core grant from the VIU, we receive around £6,000 annually from Angus Council Social Work and Health Department.

AAVO is local and independent and one of the foundation stones of voluntary activity support in Angus. Founded in June 1990, AAVO is based in Arbroath and serves community and voluntary organisations across the county. We are members of the 58-strong CVS Network in Scotland and have had direct involvement in the development of that Network over the past five years.

AAVO works in close partnership with the Volunteer Centre Angus – VCA – which is part of the Local Volunteer Centre (LVC) Network in Scotland. VCA is also in receipt of core funding from the Scottish Executive Voluntary Issues Unit together with funding from Angus Council Social Work and Community and Learning Development departments. VCA is based in Arbroath and promotes volunteering across Angus. Established in 2002, VCA has recently joined AAVO and our statutory partners on the Angus Community Planning Partnership, thus ensuring a wide platform of support for volunteering and voluntary action in Angus.

AAVO and rural development

All of the main voluntary sector support organisations are active in Angus and cover a wide spectrum of activity, from children's services, through arts and culture to mental wellbeing, healthy living and social welfare. Most have their main base of operations in a burgh, for example in the largest population centre (Arbroath) with others in Forfar, Montrose, Brechin, Carnoustie, Monifieth or Kirriemuir. All of these voluntary organisations seek to ensure that our rural communities receive support, either via an outreach service, or with partnership arrangements with other voluntaries/statutory bodies, or with pre-arranged 'surgeries' or home visiting. Communities throughout Angus have a long history of volunteering, and nowhere is this more evident than within our rural communities.

The **barriers** to development for rural communities are well known and include:

- Dearth of sustainable employment
- Lack of enterprise opportunities
- Lack of affordable transport
- Poor ICT coverage/support
- Social Exclusion
- Ageing population
- Severe weather conditions

The current **threats** to rural community health and welfare include:

- Low community esteem
- Social isolation
- Reluctance to access help (fear of stigma)
- Sustainability of projects (low usage = poor outcomes for funders)
- Poverty
- High drug usage
- High dependence on alcohol
- Mental ill health

The above issues are a serious cause for concern among voluntary and statutory organisations alike. All are addressed through a huge range of initiatives, programmes and projects throughout Scotland. (Although the very existence of these threats, in this 21st century, suggest that we need to be cautious about promoting a 'rural idyll' that does not always support some of the vulnerable people at the heart of it.)

The **opportunities** that sustained rural community development provides are:

- Improved community esteem
- Partnership *within* rural communities
- Environment – protection and development
- Support services that better reflect rural needs
- Move from the 'benevolence and subsidy' culture
- Realistic development of youth-centred activities
- Partnership working across *county* and *national* boundaries

Angus Community Planning Partnership (ACPP)

AAVO has had involvement with ACPP from its inception, albeit with limited resources at our disposal. However, our membership at strategic level has been valuable as it has enabled us to foster community engagement in what, for many people, is a very bureaucratic process. There is still the belief that community planning 'happens anyway', hence difficulty in persuading people to engage with it. The Angus Community Planning **Local Partnerships** have had some success, but again it is clear that *local* issues are of most concern

to communities (eg litter, road signage, vandalism and so on) And for many people, the bigger issues of rural life; agriculture, tourism, employment, environment, sustainability etc., are for elected politicians to address.

The ACPP has, however, tackled this information gap and last October hosted a Seminar for the community and voluntary sector. Over 80 delegates attended and improved community engagement is starting to emerge. The resulting Action Plan from the Seminar is now under consultation and results will be published later this year.

SUBMISSION FROM ANGUS CAB SERVICE

STATEMENT

In June 2003 over 300 residents of Angus participated in a research project carried out by Angus CAB entitled the "Social Welfare of Angus". Copies of the report were sent to all MSPs and recently to the Clerk to the Committee by email. The clients covered in the research were categorised as being **socially** or **economically disadvantaged**.

The questionnaire used in the research covered the following 7 key components. Against each component is some statistical data, which I hope is relevant, extracted from the report.

- 1 **PERSONAL** - Almost 50% of the survey group were single and under 55 years of age. A quarter had no educational qualifications.
- 2 **INCOME** – 21% had an income of below £50 per week **and nearly half had financial difficulties in the last year**, mainly related to rent and council tax. Three quarters of those with financial difficulties had not asked for support to solve their problems.
- 3 **EMPLOYMENT** – 40% were unemployed and 30% of those who were working were on an exceptionally low income. **Of the 300+, 63% showed a reluctance to travel far in search of employment and 71 were only prepared to look for work in their nearest town. 152 or 63% were unwilling to move house in order to find employment.**
- 4 **BENEFITS** – **44% of the sample group were on Welfare Benefits** with 16% receiving a form of sickness or disability benefit. Almost 30% of this group said the main source of advice about benefits was the Benefits Agency.
- 5 **HOUSING** – The client group expressed the view that the quality of housing available in Angus is satisfactory with only 20% of the sample group expressing dissatisfaction.
- 6 **HEALTH** – **60% said their health was good or excellent** with 24% describing their health as average. Only 14% needed transport to access health care.
- 7 **GENERAL** – **59% of the overall group did not have a current driving licence and 62% did not have access to a car. Over 50% had close family living in the same town or village.** 175 of the sample group looked to their parents for support throughout their lives and rated that support as good. 14% had criminal convictions.

EXECUTIVE SUMMARY:

Some of the recommendations from the report "Social Welfare of Angus"

- 1 There should be a pro-active approach to providing information and advice on the benefits and tax credit systems.

- 2 Young people covered by the survey showed a lack of independent living skills which can lead to repeated homelessness and other problems and this needs to be addressed.
- 3 **Low paid work is prevalent in most locations in Angus and needs to be investigated.**
- 4
 - a) **There is an unwillingness to travel outwith Angus for employment. The cost of travel, inadequate transport or no access to personal transport are significant considerations.**
 - b) **An assessment of what constitutes affordable public transport within Angus linked to “relative poverty criteria” should be explored.**
- 5 A high percentage of respondents to the survey have not accessed independent money advice. There is the need to encourage more people to seek help at an early stage.
- 6 **The possibility of providing a variety of public services within rural areas on an outreach basis should be jointly explored.**
- 7 **A suitable strategy to achieve individual connections with people in remote rural areas who have problems associated with poverty and social exclusion needs to be developed.**

ANGUS CAB 2001/2002 REVIEW OF SERVICE PROVISION

During 2002 Angus CAB reviewed the usage of their services in relation to where clients live. The research confirmed that the usage of services were linked proportionately to the proximity of the bureau to the client group as the following statistics show.

Ratio of Angus CAB client usage by location (* = where local offices are located)

Arbroath*	1/10	Carnoustie	1/24	Carmyle	1/69
Forfar*	1/11	Tannadice	1/48	Inverarity	1/72
Montrose*	1/15	Careston	1/58	Barry	1/74
Letham	1/20	Monikie	1/65	Monifieth	1/137
Brechin	1/21	Arbirlot	1/68	Auchterhouse	1/262

Analysis of Current Clients from Brechin and Rural Areas of Angus

We are endeavouring to look at the above client group and the issues they raise prior to the Committee meeting on the 13th June 2005.

SUBMISSION FROM ANGUS COUNCIL

This submission focuses on the following points:

1. Aims of accessible rural communities for development of their area, and the challenges they face in achieving those aims
2. Assessment of how these issues are reflected in government policy and funding initiatives (by the Scottish Executive and across other levels of government and public agencies), including how such initiatives are targeted
3. Policy priorities which should be pursued in order to help secure economic prosperity in accessible rural areas

Introduction

The links between rural areas (countryside and settlements of 3,000 population or less), small towns and large urban areas are important in sustaining the economic, social and environmental well being of inter-related local communities.

In Angus, we have a close network of towns and villages, (which include Arbroath, Carnoustie, Forfar, Kirriemuir, Monifieth and Montrose as well as Brechin) which together offer a range of opportunities for sustainable development. This is balanced alongside the strong local identity of each town and its capacity to successfully absorb change without the loss of amenity or individual character.

Angus Council particularly welcomes the focus of the Committee on “accessible” rural areas. Much of the land area of Angus (with a current population of around 108,500) sits squarely within the “accessible” rural area category of the Scottish Executive’s 6-fold Urban/Rural Classification (Scottish Executive Development Department Planning Advice Note 73, February 2005).

Since 1996 Angus Council has continued to highlight the need to review urban and rural funding programmes to more fully recognise the importance of small towns and their role in the local economy, including the relationship with their rural hinterlands.

This has been set against a national backcloth where attention has been mainly directed either towards urban centres on the one hand or towards remote rural areas on the other, with comparatively less priority accorded to “accessible” rural areas.

In Angus, primary sector, manufacturing and retail employment has diminished, while the proportion of public sector and low-paid part-time employment has increased. In 2003, the average weekly workforce base wage in Angus was £301.61 compared with the Scottish average of £349.34, the lowest workforce wage rate in Tayside. However, in terms of residence

based weekly wages, Angus had the highest rate in Tayside at £342.09. Similarly, the GVA (Gross Value Added) per capita for Angus is quoted by the "Tayside Economic Review 2004" as £9,970 compared with £13,934 for Scotland, only 71.5%.

Employment opportunities in accessible rural areas such as Angus have been declining, necessitating increased commuting to urban areas where the policy focus has been on job creation.

The lifestyle advantage on offer in rural areas (i.e. congestion free, less crime, good schooling, lower cost housing, more space) is increasingly being countered not only by reducing job opportunities but by declining retail centres, lack of investment in leisure/ recreation facilities and poorer commercial returns for development investment. This in turn leads to rural-to-urban commuting for shopping, leisure facilities as well as work.

Urban regeneration has also tended to focus on policy/funding in the cities – but accessible towns have needs too for brownfield developments and urban/economic renewal – e.g. Arbroath, Brechin and Montrose.

1. Aims of accessible rural communities for development of their area, and the challenges they face in achieving those aims

Scottish Planning Policy 15 Planning for Rural Development (Scottish Executive Development Department, February 2005) sets out a vision for a more confident, forward looking and diverse rural Scotland.

It confirms the Executive's policy intention is to have vigorous and prosperous rural communities, ranging from small towns and villages to dispersed settlements, which is fully consistent with the vision of Angus as set out in the Angus Community Plan: -

“Angus will be a place where a first class quality of life for all can be enjoyed, in vibrant towns and pleasant villages, set in attractive and productive countryside.”

Community planning in Angus has developed a structure that combines a thematic, Angus-wide approach, with a geographic, local, approach based on the burghs and their more rural hinterland.

At a geographic level, a number of mechanisms feed into target setting e.g. community councils and citizens panel. The joint-funded community planning team has also supported the development of local partnerships, of which there are now six. These have, perhaps inevitably, focused on the burghs in their early stages, but are increasingly exploring mechanisms for a greater rural focus.

Recurring issues identified in local areas in the current Community Plan Progress Report and Review include: town centre regeneration; parking; maximising economic potential, including support for tourism (marketing, promotion and signage); access to services, and in particular facilities for young people; transport and road conditions.

Rural land use planning policy in Angus has developed alongside changing requirements of rural communities. The Finalised Angus Local Plan Review (February 2005), aims to maintain the diversity of rural Angus while making provision for new development in appropriate locations to encourage people to live and work in rural communities.

Angus Council's land use development aims, as expressed in the Development Strategy of the Finalised Angus Local Plan Review, are therefore to: -

- draw on the inherent strengths and synergy of the close network of Angus towns and villages, and consolidate the role of the seven towns as locally accessible centres serving a diverse rural hinterland.
- guide and encourage the majority of development, including local housing and employment opportunities, to locations within the larger settlements.
- provide opportunities for diversification of the rural economy.
- maintain and protect the diversity and quality of the rural area and encourage local development which supports the population and services of local communities.
- support the protection and enhancement of the countryside, and
- maintain the quality of valued landscapes; the natural, built and historic environment; and biodiversity.

Angus Council's 1996 Rural Strategy highlighted various measures necessary to maintain viable communities which lie at the centre of rural concerns in Angus, including:-

- To strengthen and diversify the rural economic base.
- To encourage improvements to the quality, quantity, affordability and availability of rural housing.
- To maintain and where possible improve local service provision tailored to the needs of rural communities including disadvantaged groups.
- To support and develop approaches to rural public transport provision in Angus which address locally identified needs and demands.

2. Assessment of how these issues are reflected in government policy and funding initiatives (by the Scottish Executive and across other levels of government and public agencies, including how such initiatives are targeted)

Although not targeted specifically at accessible rural areas, some central funding initiatives have been of benefit in Angus. However, concerns remain over future funding requirements generally for areas like Angus.

Accessible rural areas are primarily viewed in the context of "dormitory" areas to supply the workforce for urban areas and attract little policy focus as a result. The city-region concept needs to recognise the wider role of the region to encourage regional input on strategic policy.

Many policy interventions in relation to deprivation or regional economic disparity have a minimum population threshold.

In 2000, Arbroath lost its development area (DA) status, at least in part due to the population threshold for such areas being set at 100,000 +. Had no such threshold been applied, the statistical case for Arbroath achieving DA status was better than many of the areas that were included. Such policy clearly favours urban areas.

A number of issues are raised by the use of the Scottish Index of Multiple Deprivation (SIMD) - based on 31 indicators in the six individual domains of Current Income, Employment, Housing, Health, Education, Skills and Training, and Geographic Access to Services and Telecommunications in determining regeneration need:

- a) There may be more likelihood of deprivation being masked by relatively affluent commuters in 'accessible' areas, than in either fully urban or more rural areas.
- b) Because of the emphasis on funding for overall "urban" multiple deprivation, targeted funding may not be available in areas that display very high deprivation levels, but in only one or two 'domains', however significant (eg employment, income).
- c) In January 2005, the Scottish Executive identified Rural Services Priority Areas (RSPAs) using the SIMD information, including one in Angus.

There are likely to be significant challenges in effectively linking City Region Plans with other "strategic" plans, including Community Plans and Regional Transport Strategies.

In the case of the proposed Dundee City Region it is essential that the needs of the "Region", which will include accessible rural areas in parts of Angus, Perth & Kinross and Fife, are accorded priority attention rather than simply focusing on the City alone. The experience of Angus Council has been that Regions have little voice when the big issues (e.g. transport, digital media, and universities) are debated and decided.

Two additional issues of particular importance to rural authorities across Scotland concern: -

- Funding for the implementation of national free bus travel for elderly and disabled persons.
- Investment priorities by Scottish Water as part of the Quality & Standards III Programme.

3. Policy priorities which should be pursued in order to help secure economic prosperity in accessible rural areas

- Recognise that accessible rural areas contain accessible small towns, which provide attractive and sustainable places to live.
- Recognise that national policy should not just focus on cities and remote rural areas – a proportion of funding should be available to

ensure that appropriate scales of regeneration and job creation are supported in accessible rural areas.

- Recognise that centralisation of services and jobs is damaging to the economy of accessible rural towns and promote more dispersal.
- Provide greater protection for accessible rural town centres from larger cities and provide additional resources to help regenerate town centres.
- Reduce non domestic rates in depressed areas.
- Consider government intervention to encourage businesses to locate in accessible rural areas, e.g. small-scale enterprise zones.
- Centralisation of services – small towns need to be viewed as economic drivers in their own right adding to the diversity of the city region and relieving congestion and sustainability pressures on the city with high level health provision, education, leisure facilities (e.g. multi-screen cinemas) and public transport.
- Community Planning partner organisations, structured to provide services at a regional level, may need to address resource and communication requirements in channelling activities to suit rural locations.
- Recognise that accessible rural areas contain much of the best soils and agricultural productivity and develop measures to support more local food consumption.
- Ensure ongoing support for public transport with increased subsidies for rural transport.
- Demographic change – Angus has a high proportion of older age groups, and difficulties regarding retention of younger age groups. Increased investment and improved job prospects are required to counter such trends.

SUBMISSION FROM SCOTTISH ENTERPRISE TAYSIDE

1 INTRODUCTION

- 1.1 Scottish Enterprise Tayside (SE Tayside) welcomes the opportunity to present the Environment and Rural Development Committee with written evidence prior to appearing before the Committee on Monday 13 June.
- 1.2 This written evidence has been prepared to assist the Committee's understanding of SE Tayside's role in rural development. Brechin and its surrounding area are used as an illustrative case study.

2 CONTEXT

- 2.1 SE Tayside as part of the Scottish Enterprise (SE) Network operates within the direction set by the Scottish Executive through Smart Successful Scotland (SSS).
- 2.2 SE Tayside's agenda, in line with the focus of the SE Network, is based upon securing economic growth and added value through implementing activity aligned to the SSS strategic themes of growing businesses, global connections and skills and learning.
- 2.3 The SE Network recognises that rural areas face particular issues such as lower wages, changes in "traditional" industries, distance from markets etc, and has identified six operational objectives to address these:
 - Stimulate the diversification of the rural economy;
 - Enable the development of competitive, sustainable businesses;
 - Enhance national/local connections to opportunity/innovation
 - Enhance the operation of the rural labour market;
 - Contribute to the economic sustainability of small communities;
 - Increase the availability and attractiveness of rural "places" for economic development activities.
- 2.4 The SE Network develops its rural agenda at a strategic level through the SE Rural Group which involves both the Scottish Executive and Highlands & Islands Enterprise. The Rural Group has developed the Rural Futures Initiative which, working with partners, is contributing to the development of potential future Enterprise Network rural interventions. SE Tayside is represented on this group by a Project Executive who has a corporate role within SE Tayside to ensure the rural agenda is appropriately pursued.
- 2.5 The SE Network is currently exploring the rural dimension of the city region agenda and has undertaken early research to increase understanding.

3 RESOURCE

- 3.1 SE Tayside does not identify a fixed level of resources – either human or financial – for rural areas or indeed particular rural settlements such as Brechin.
- 3.2 Resource is allocated to optimise economic opportunity, within the above policy framework, wherever that may be in Tayside.
- 3.3 The need for the SE Network to prioritise resources highlights the benefits of working in partnership. We leverage resource and share risk with both private and public sector partners such as Angus Council and Communities Scotland through the Angus Economic Partnership and through European initiatives.
- 3.4 SE Tayside recognises that in rural communities relatively small inputs can bring a disproportionate economic benefit.

4 SE TAYSIDE INTERVENTIONS – BRECHIN AND AREA

Growing Businesses

- 4.1 Tayside Business Gateway, which is funded by SE Tayside in partnership with Angus, Dundee and Perth and Kinross Councils, offers advice and assistance to individuals wishing to start-up in business and to all businesses looking to grow and develop. The Business Gateway has an office in Arbroath serving Angus.
- 4.2 In the last three years (2002/05) the Tayside Business Gateway has assisted 36 start ups in the Brechin area (1.8% of 1,967 in Tayside) and in the two year period 2002/2004 there have been 39 business assists (3.4% of 1,146).
- 4.3 SE Tayside operates an account and client management service to companies, prioritising resource towards companies with high growth potential. Therefore in this area of our activity growth potential, not geography, forms the basis for resource allocation.
- 4.4 Currently SE Tayside account managers are actively working with five companies in the Brechin area on various development projects relating to derelict property and flooding issues, product development, management development, workforce development and training, e-business programmes and environmental regulation issues.
- 4.5 Tourism potential in the Brechin area is also recognised by SE Tayside and in the last two years a major Brechin attraction has received workforce development support and support for the Lean Management programme, and the Caledonian Railway (Brechin) Ltd has received grant support from SE Tayside for a strategic plan for future development.
- 4.6 SE Tayside, in partnership with Perth & Kinross Council, Angus Council and with funding from the LEADER+ programme (see below), fund two Farm Business Advisors (FBAs), with one working out of the Business

Gateway in Angus. Their remit is to assist farmers to identify ways of improving performance and where appropriate encourage them to consider diversification.

- 4.7 In the Brechin, Montrose and Angus Glens (no Brechin specific information available) area there have been 38 farms visited by the FBAs. Five Farm Business Diversification Scheme projects have been submitted and one Process and Marketing Grant awarded. Projects have included holiday lets, satellite tracking devices for lime spreading, wildflower production and free range product advice.
- 4.8 Community driven economic development opportunities in rural Tayside are supported by the LEADER+ European Union (EU) funded programme. SE Tayside administers this on behalf of the Scottish Executive (SE Tayside funding of over £70,000 in partnership with the “rural” local authorities) with day to day management through the Business Gateway. SE Tayside chairs the Local Action Group (LAG) of partners. The LAG agrees projects to be supported with the primary focus being local economic development. LEADER+ operates until 2006 and should support projects to £3m in value with £950k of EU funding. There are five Brechin area specific projects supported by LEADER+ with as many again that support activity in Angus rural areas and the Glens generally.

Global Connections

- 4.9 SE Tayside’s global connections activity relates to assisting companies with export and trade opportunities with the same focus on high growth opportunities as above; helping secure better connectivity recognising the importance of this in rural Tayside; and place development both to create competitive business infrastructure and to enhance the attractiveness of key locations.
- 4.10 In respect of export and trade development, SE Tayside has assisted one Brechin based company in particular very extensively.
- 4.11 The uptake of broadband and internet facilities by companies is a particular focus of the Business Gateway and specifically SE Tayside has assisted an Angus Glens initiative to create a web portal (www.angusglens.co.uk) and associated IT and internet facilities in village halls in the Angus Glens as learning and business development facilities, to be run by the community.
- 4.12 SE Tayside’s competitive place activity (including land and property development) reflects the emphasis in the SE Operating Plan on the SE Strategic Investment Plan (SIP) which increasingly concentrates place activity on projects that will create a national impact. The SIP emphasis is on development in Scotland’s main economic development zones but also includes a fund for significant rural projects that will create a national impact.
- 4.13 In Tayside the SIP projects are in and around central Dundee and the Dundee Western Gateway. SE Tayside does however recognise that there are important place development opportunities of a regional or local

nature that will bring economic benefit and may require SE Tayside support.

- 4.14 Currently SE Tayside is working with two Brechin companies to help resolve significant property constraints and also with Angus Council, the Heritage Lottery Fund (HLF) and other partners in developing a Townscape Heritage Initiative (THI) in Brechin. This follows an Arbroath THI for which SE Tayside has helped secure along with Angus Council, HLF and the EU circa £2m funding. The aim would be to bring back into meaningful economic use properties in the centre of Brechin, reflecting both economic potential and the needs of the business community as expressed through the Brechin and Area Community Planning process.
- 4.15 In the last 10 years, in response to opportunities and needs, SE Tayside has made a number of other place interventions in Brechin totalling over £1m, always in partnership with others. These include support for treatment of dereliction, façade treatment, environmental improvements in the centre of Brechin, £210k towards the infrastructure provision with Angus Council of the Brechin Business Park, support for the Pictavia Pictish Centre and the Brechin Business Centre.

Skills and Learning

- 4.16 SE Tayside's skills and learning support is, as with most of the SE Network's activity, not geographically focussed.
- 4.17 It is recognised that more work needs to be undertaken to understand the operation of the labour market in rural areas and SE Tayside intends to address this by commissioning research into the operation of rural economies including labour market research with its partners later this year.
- 4.18 At April 2005 738 (3.1%) people were unemployed in the Brechin and Montrose Travel to Work Area (Angus 3%). As well as the workforce development activity outlined above, national training programmes impact on rural areas such as Brechin.
- 4.19 Training for Work (TfW) is a complementary programme to New Deal and it aims to help those out of work to secure and retain employment. Central to this programme is the opportunity to gain industry relevant qualifications including VQs and a work placement in a company or industry that is new but of interest to the individual. Training providers offer this service locally in Brechin. 29 people from the Brechin area are currently (2/6/2005) on TfW.
- 4.20 Skillseekers including the Get Ready for Work and Modern Apprenticeship elements of this programme is the main entry route for young people who are not in Further or Higher Education to obtain a work based qualification while in employment. In 2004/5 114 young people from Brechin left school (the figure in 2003/04 was 135). Of those 64% entered Further or Higher education, an increase on the previous year of 6%. Thirty seven young people entered the Skillseekers programme of which 46% are completing a Modern Apprenticeship. There are currently 111 individuals from the

Brechin area who are on the Skillseekers programme. This includes 86 Modern Apprentices, 13 of whom are adults over 25 years of age.

5 IMPACT OF ACTIVITY OUTSIDE THE BRECHIN AREA

- 5.1 It is important to recognise that activity outside the Brechin area will affect the town and surrounding areas. SE Tayside chairs a Partnership Forum working with GSK and Angus Council responding to the imminent closure of the GSK plant in Montrose – some 9 miles from Brechin. This is involving a comprehensive look at the economic potential of Montrose as well as the immediate issues of closure and the future use of the GSK site. The outcomes are likely to impact on Brechin and the surrounding area.
- 5.2 In response to the forthcoming closure, SE Tayside with GSK, Angus Council, Tayside Business Gateway and Scottish Business in the Community is supporting an Angus & Mearns Economic Development Fund which assists with start up and business growth grants and with creating training opportunities.

6 CONCLUSION

- 6.1 As the Brechin example illustrates, the rural economy in Tayside benefits from a range of SE Tayside intervention. I look forward to answering any questions the Committee may have on 13 June.

SUBMISSION FROM COMMUNITIES SCOTLAND

Introduction

1. Communities Scotland was established in November 2001 as the Scottish Executive's housing and regeneration delivery agency. We work, with others, to improve the quality of life for people in Scotland. Our national remit covers a diverse range of functions, as a funder, advisor, facilitator and regulator as we implement Ministerial policy. We manage targeted investment programmes to make additional resources available to tackle housing issues, and poverty and regeneration in disadvantaged communities. Through our regulatory role we work with a range of organisations to raise standards in the delivery of housing services and improve the understanding of the problems faced by disadvantaged communities. Our housing development programme helps to build new and improved homes, increase the supply of housing in areas of high demand and for people with particular needs whilst our regeneration programmes aim to improve the quality of life in our most disadvantaged communities. This is done through working with key partners such as registered social landlords and Community Planning Partnerships respectively.

2. The Agency therefore has a particular management and monitoring role within the supply chain between policy making and the delivery of services at the local level, working with partners who provide these services at the local level. While the Minister for Communities and the Scottish Executive determine policy and funding, our partners: the voluntary sector, registered social landlords, the private sector and local community representatives deliver the services e.g. housing developments or regeneration programmes which we fund in line with Ministerial priorities.

Our Current Corporate Objectives and Key Activities

3. The Agency has identified six key objectives in its Corporate Plan 2005-08. In summary, our objectives (in bold text) and the key activities underlying each, are detailed below:

- **To increase the supply of affordable housing where it is needed most.**

This will be achieved through the annual investment of over £400M of development funding, through registered social landlords (RSLs). We aim to approve 21,500 new and improved homes for social rent and low cost home ownership over the Plan period.

- **To improve the quality of existing houses and ensure a high quality of new build.**

On behalf of the Scottish Ministers we manage, assess and monitor the implementation of the Scottish Housing Quality Standard which requires local authorities and registered social landlords to bring their properties up to that standard by 2015. The quality of properties in the private sector will be improved through the £80M Private Sector Housing Grant scheme (2005-06) that we manage, local authorities making bids to us to cover work that they have identified in that

sector in their area. We also monitor the Scottish Executive's central heating and warm deal programmes.

We set standards within the various grant mechanisms we operate for RSLs and assess their submissions for development funding for new build against these standards.

- **To improve the quality of housing and homelessness services.**

Communities Scotland is responsible for regulating and inspecting over 250 RSLs and the housing management and homelessness services of all 32 local authorities.

- **To improve the opportunities for people living in disadvantaged communities.**

The Scottish Executive recently established the Community Regeneration Fund (CRF) with a budget of £320M over the next 3 years. This fund is strategically managed by Communities Scotland on behalf of the Scottish Executive and we monitor and provide guidance for Community Planning Partnerships on drawing up and delivering on their Regeneration Outcome Agreements.

- **To support the social economy to deliver key services and create job opportunities.**

The social economy sector consists of community and voluntary organisations that do not distribute any profit to private shareholders. We manage and allocate the £18M (over 3

years) Futurebuilders fund providing financial assistance to these organisations so they can deliver better public services and increase their financial sustainability. The Futurebuilders funding is divided between the Seedcorn Fund for developing organisations and the Investment Fund for larger organisations.

- **To use our experience of delivering housing and regeneration programmes to inform and support the development of Ministerial policies.**

We work directly with Ministers and Scottish Executive colleagues providing information on existing programmes and experiences, to inform future policy and its implementation.

Local Strategic Overview

4. Communities Scotland's programmes are run from a network of 8 local Offices throughout Scotland with the Dundee office covering the Angus, Dundee and Perth and Kinross Local Authority Areas.

5. Communities Scotland Housing Investment is steered by the Local Authority Local Housing Strategy (LHS). Brechin is part of the combined Montrose/Brechin Housing Market Area and it can be difficult to define precisely the nature of demand in small towns such as Brechin. Generally, however, the LHS outlines Brechin as having a low-demand housing market with an over-supply of some types of housing. Some of this issue of low-demand dates back to the closure of the Edzell air-base and the resultant reduction in employment levels.

The proposals to further develop Stracathro hospital may impact on the housing demand in the area. If there is a change in demand, supply issues which already affect some other rural areas, such as lack of infrastructure and high site costs, may also begin to affect this area. If this does occur, Communities Scotland would use their regular liaison meetings with Angus Council to identify any revised actions that might be required.

6. Communities Scotland's Community Regeneration activity is steered by our own Corporate objectives outlined above and within that, at a local level, by local Community Planning priorities. We are particularly committed to working as part of the Community Plan Partnership to ensure that our regeneration activity is carried out in conjunction with other services, such as health and police, to help achieve safe, sustainable and healthy communities.

The Scottish Index of Multiple Deprivation (SIMD) is a key element in prioritising activity for social regeneration. The SIMD has been used by the Scottish Executive as a basis for defining one data zone to the west of Brechin as a Rural Service Priority Area

Communities Scotland's Local Activity

7. The Housing Investment programme for 2005-06 in Tayside is £24.000 million. This is approximately 40% higher than the original programmed amount for 2004-05. The Angus programme is £4.000 million. The whole of Angus is designated as Rural in Communities Scotland programme definitions. There is no Housing Investment planned in the Brechin area during 2005-06 because of the low-demand situation. However a 15 house project is planned to start in Brechin in 2006-07, mainly to provide special needs housing. The range of grants available to Communities Scotland to fund housing projects provides sufficient flexibility to allow a wide range of projects to be developed where identified priorities exist.

8. Communities Scotland's other programmes in Tayside cover the social and economic side of regeneration. In 2005-2006 the budget for Tayside for Futurebuilders Seedcorn Fund is £0.300 million; for Wider Role £0.570 million and for Community Regeneration Fund (CRF) £6.181 million

9. £0.008 million of Futurebuilders Seedcorn money has been allocated specifically to the Brechin area to help develop the Glenesk Trust "Retreat" project although this project has been turned down for a larger Investment fund allocation. The "Retreat" also received Wider Role and Seeing Is Believing funding during 2004-05

10. No other Wider Role projects have been approved specifically for the Brechin area although some Angus-wide projects may operate in the Brechin area, such as Street Football and the Youth Bus.

11. £0.203 million of CRF is planned to be spent in Angus in 2005-06. The Regeneration Outcome Agreement (ROA) for Angus is still being developed. There are no data Zones in the Brechin area which come within the worst 15%. However the Angus Community Plan Partnership want action to help out-of-work people in Brechin included within the ROA to achieve joint prioritisation with Job Centre Plus.

Communities Scotland will be appraising the ROA when it is submitted toward the end of June.