



Scottish Affairs Committee

Oral evidence: [Our Borderlands – Our Future](#), HC 571

Monday 09 February 2015

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Members present: Mr Ian Davidson (Chair); Mike Crockart; Mark Menzies; Graeme Morrice; Pamela Nash; Sir James Paice.

Questions 111-142

Witnesses: **Gavin Yuill**, Managing Director, Yuill Community Trust, **Teresa Dougall**, Regional Manager, South East/South West area, Scottish Land and Estates, and **James Pringle**, Community Councillor, Landowner and South East Committee Member, Scottish Land and Estates, gave evidence.

Q111 Chair: Ladies and gentlemen, welcome to this meeting of the Scottish Affairs Select Committee. As you will probably be aware, we have been having a series of meetings about the Borderlands, the south of Scotland. We have been to various locations, and today is the last formal evidence session before we write up our report. So we have kept, as you would imagine, the best until last. Could I start off just by asking you to introduce yourselves and say the organisations you represent, just so that we have it on the record? Teresa first.

Teresa Dougall: Teresa Dougall. I am with Scottish Land and Estates. We are a membership based organisation, and we represent rural landowning businesses across Scotland.

James Pringle: James Pringle. I am the managing director of Torwoodlee and Buckholm Estates, one of the rural landowning businesses that Scottish Land and Estates represents. I am here, I suspect, in both capacities, representing both businesses.

Gavin Yuill: My name is Gavin Yuill. I am representing the Yuill Community Trust, which is a community interest company, which is a community development enabler. We work in promoting research and design, and managing and delivering high quality, affordable housing in community developments.

Q112 Chair: Can I just start off by apologising for cancelling the meeting that we were due to have with you in Langholm? We ended up having to rush away early because of a vote in Parliament that day, so we had to restructure it for today. Thanks very much for your understanding. What do you believe to be the potential advantages of the Borderlands initiative that is being taken by various organisations in the south of Scotland?

Gavin Yuill: I think the biggest opportunity is that it is a space to look at doing things slightly differently, and using what could be considered some of the disadvantages of the Borders to its advantage. I talked at the initial meeting about the additional costs that there are in the Borders, based on the location of various places and their disparate nature, and having to have the same facilities in each community, so it gives an opportunity to deal with those issues.

Teresa Dougall: Very much, we have seen this initiative as being a way of bringing everybody together around a table to look at what the issues are, what could be done about them, and then to put forward some solutions. Very much, at the moment, there is some disparity across the regions. Being able to bring everybody together will allow for more joined-up thinking. It will allow for better identification of the main issues. It should also allow for the communities to be involved, so we can also focus on the issues for the people living and working in the areas. Also, looking at the businesses, we can focus on how to help them and move them forward for the future and sustain them.

Chair: Do you want to add anything to that?

James Pringle: No. I do not want to add anything to that except that, if I may ask one question: when you talk about the Borderlands Initiative, is that looking purely at the south of Scotland and how it might differ from the rest of Scotland, or is it the thought that perhaps the south of Scotland and the north of England might work better together?

Q113 Chair: Yes. We are coming on to the cross-border element later on. We have been thinking at the moment about the south of Scotland perspective on things. Can I just ask if you have seen any tangible impact as yet, and are there any particular priorities, or any focus, that you think the Borderlands Initiative ought to be identifying at this early stage?

Gavin Yuill: I suppose the one thing from my own perspective, working with the trust, that I would like would be to encourage collaboration and co-production. The trust itself has basically increased the projects that it is working on by working with not just social enterprise companies and local authorities, but working with private companies as well, and showing private companies how they can do things differently and achieve the same ends.

For example, the trust works in collaboration with Camerons Architects, based in Galashiels. Camerons had a site in Newcastleton. The developer was from Newcastleton and he could only get permission for two houses on the site, but that did not stack up for him. He wanted to develop more houses for the local community; two was not enough. So for a number of years he went back to planning and said, "Look, you know, can we not try to work something out?" They completely stonewalled.

When the trust starting working with Camerons, we put forward to them the idea of using rural housing burden as a way of going to the council and saying, "Look, here is a

different way of doing it. We need to increase the numbers to make the whole site, affordable, 100% affordable". So, working with this private client, we went back to SBC and managed to up the numbers from two to seven.

That is what we are finding, the more that I work with private business. It is not about them not being interested in social enterprise. Perhaps they are thinking, "Oh, we can do something a bit differently." So, yes, I will quite happily get involved in that. Currently, we are working on the Burnfoot Community Hub with the project architect, Camerons, and that is a fantastic project. It is a hub that was left empty for seven years with nothing happening on it. The community said, "Right, okay, we will get the funding and we will convert it."

On the back of that project—again with private developers that have sites in Hawick—we said, "Look, this is working in Hawick. Can you give us the space and time to look at doing something different?" Of course they are going to say yes because, at the end of the day, you are going to be able to sell the site. So, from my point of view, that would be one big thing. How do you get not just social enterprise working with local authorities but that kind of perceived connection with, say, private business and social enterprise, to get working together? Because there is lots of space—

Q114 Chair: Could I just ask, surely that does not need some sort of structure or linkage across the whole of the south of Scotland to come to pass? That surely is something that SBC should be doing anyway?

Gavin Yuill: Yes. But the thing is, if there is guidance above local authorities that says, "Look, this is a good thing," then it follows suit with SBC. We spent a lot of time with the housing strategy team saying, "Look, here is the affordable model". They have now endorsed it and said, "Yes, we can recognise this as affordable housing" but that took a lot of work, which is fine. It is not a problem, but if there was another policy that worked hand in hand with local authorities, then all well and good.

One example of the trouble we have had with SBC, is developer contributions, and the disparity in terms of amounts between other areas and here. For example, we have a project in Newton St Boswells with Camerons for 40 homes. The contribution that they are looking for for that site is just over £500,000. That is equivalent to about £12,000 a house. In Newcastleton, for the seven houses, it is £320 a house. But that is because SBC is saying, "Okay, we will write our policy on that, and they are the numbers, and that is what we need." But if you go to East Lothian, the developer contributions for a similar site, can be a third, two thirds, whatever, and that affects development. But if there is something above it that gives guidance to all local authorities, you will miss out the disparity between various councils. So from my perspective, that is why it would be great if it was looked at here. It is just another space to encourage local authorities to say, "That is an area where we are going to do it differently, because you guys will do it as well."

Teresa Dougall: Looking at it from the point of view of whether we have seen any tangible benefits thus far, I would not say so, apart from the fact that the one thing it has done is, it has encouraged discussion. From the point of view of our members within Dumfries and Galloway and the Scottish Borders, since the inquiry came out and we asked members for their thoughts on the document and how they would like to see things

moving forward, there has been quite a lot of debate on it. That is one of the main good things that can come out of it at this stage, because it is encouraging people to talk more.

It is looking at what is there, what is in place structure-wise. Does it work? Does it not work? How can we improve it? One of the key points that has come out through these discussions has been whether we need a new structure in place, or whether we need to look at what is currently in place and how that can be improved upon. So, from that point of view, I would probably say that a bit more work needs to be done on what we are trying to achieve here, and whether it can be done with what is there. Or do we need to say, “No, we need to take everything out completely and start afresh”? I do not think we need to be doing that.

Q115 Chair: Just on that, I do not think that the idea is that the Borderlands initiative would be, as it were, a new structure. The parallel that we often used in our discussions was the “Our Islands - Our Future” document, where the leaderships of the three authorities have come together and drawn various proposals, and are now dynamically moving them forward. It seems to us that that sort of structure would be appropriate in these circumstances, unless we hear something totally different. But that is the direction in which we are moving at the moment. That would overcome your reservation about this being, as it were, a regional government or something similar. Is that correct?

Teresa Dougall: Yes. If we look what we have, at the moment, the Borderlands Initiative takes into account the other three local authorities in England plus the two here. We also have the South of Scotland Alliance. Can something be done to strengthen the work that is there already? Looking at it over the last couple of weeks, as well, one of the concerns I had is whether there already duplication there. In the South of Scotland Alliance you have the local authorities and Scottish Enterprise. You then have the Borderlands Initiative, with the local authorities across the border as well. Could we not be widening what is already there to bring out the best?

Q116 Chair: That raises the question of whether or not it is a question of structures or a question of dynamism, does it not? Somebody, the other day, suggested that some of the existing structures have the dynamism of a plank. That is perhaps a bit harsh, I thought, but it conveys the view that is held and explains partly, perhaps, why a number of people are looking at some sort of new structure to overcome the lack of initiative that we see at the moment. Does that seem fair?

Teresa Dougall: Yes. I would hate to see any of these groups turning into talk shops. That defeats the purpose. We can all sit around a table and talk to our wee hearts' content and not come up with any solutions. What we need to be doing down here within the Borderlands at the moment is having a group on the ground made up of the local authorities, your Scottish Enterprise, your communities, your businesses, representation from across the spectrum, to then look at what the issues are, what the solutions are and, most importantly, how we then take that out on to the ground and implement it.

Q117 Chair: James, do you have anything to add to that?

James Pringle: I would look perhaps slightly further up the ladder at the bigger picture, and suggest that one of the really good things about this is perhaps redirecting the focus, or the duality of focus as it is at the moment, from Highlands and Islands and the rest of Scotland, into which the Borders and Dumfries and Galloway seem to be dumped. It is almost as if the rest of Scotland, because it is not Highlands and Islands, is a single entity. I think it would be wrong to see it as that, and we would be far better looking at the Highlands and Islands, the central belt, which is essentially urban, and the Borderlands, which are, once again, back into agricultural and rural areas, which have much more in common with the north of England.

Q118 Chair: I wonder if I could come to the evidence that Scottish Land and Estates submitted to us. You said in your written evidence that the area covered by the Borderlands is, “Not homogenous, and there are huge variations economically, environmentally and demographically, across the region”. Now, does that mean, in a sense, almost, that there is nothing that can be done for this area as a whole? That the differences are so great that it should not be seen as a unity, or do the initiatives that are being taken allow for those changes? We were not quite clear about the balance that you were striking there, or whether you were saying, “Look, this cannot be done because the area is so different”. What is your response?

Teresa Dougall: The area is very different from the point of view of the type of business structure that takes place within it, the communities and how they are placed, the infrastructure, the transport links, and everything else. What we would like to see, I suppose, is in a way much more of a joined-up approach, to allow for development on the ground.

There are pockets of high unemployment. There are pockets, as well, where the income coming into the household is very much below average. We are not saying that nothing can be done. I suppose, in a way, what I am saying is that we need to look further at these areas, to identify why this is happening in these areas, compared with the rest of the area and Scotland, I suppose, as a whole. What can we then do to improve upon those smaller areas? But no, in no way are we saying that there is nothing that can be done.

Q119 Sir James Paice: I want to follow the same theme, really, as your evidence, where you referred at one stage to the fact that we should not be constrained by arbitrary boundaries, be they national or regional, and you also talked about possibly including the Cheviots in the Northumberland National Park. Can you expand on those thoughts a bit more? I tend to agree with you about the boundaries bits, but where would you see the structure of some sort of Borderlands Initiative, or whatever you want to call it? How would you constrain it?

Teresa Dougall: I think that follows on from what James was saying that you have the Highlands, you have the central belt, which is more urban, and then you have the south of Scotland, which is back into being more rural, and then the same with the north of England. We were having this conversation before we came in, and the one thing we were saying was, why should we only be working with partners north of us, and why should local authority areas in the north of England only be working with partners south of them?

Should there not be more of a fluid approach, to allow for cross-border initiatives, cross-border projects.

With the Southern Uplands Partnership that we were talking about, if they are looking to do a project that is in the north of England, previously they had to identify or be very specific with the funding that they were using to ensure that it came out of the allocation for that area. So a lot of the time the cross-border issue is a barrier, which it should not really be. We should be able to work with our partners in the north of England to move business development and communities forward.

James Pringle: I would only add to that that the boundaries are a necessary evil. They are an administrative issue and if you are going to try to constrain the size of a project, it should be constrained by the need. If something can be done over a line that is going to benefit that project or, more importantly, benefit the people it is aimed at, then it should be allowed. If somebody using Scottish money has to step over the border and do something in the north-east of England, why not, if it going to benefit the project and benefit the people involved?

Q120 Sir James Paice: Can I take this on a bit, because one of the other issues that you raised in your evidence was your views on Scottish Enterprise, and the centralisation that has taken place via this. This is obviously relevant, in exactly the way you have just been referring to, James, to investment. One thing that surprised us a bit, or surprised me, is that Scottish Land and Estates seem to be the only source of evidence in support of the centralisation of Scottish Enterprise. We have heard this morning from a number of witnesses bemoaning the loss of the local board. Can you expand on your reasons for thinking the current structure is right for the Borders?

Teresa Dougall: It was not to say that the current structure is right. I think what we were saying is that not one organisation can be blamed for the issues that there are within the area. Yes, we think there are improvements needed. One of them I think we put in our evidence, where we said, “Yes, could we not give more power back to the local areas and to the local authorities, which would then allow for identification of the local issues and how they can be dealt with?” It was more from a point of view of saying that we do not think that Scottish Enterprise is the key obstacle in development in the Borderlands.

Q121 Sir James Paice: Interesting. That is not how I read it, but never mind. Fine. Thank you for the clarity. So the logical sequel of that that has come from our deliberations and from listening to others is that in some ways the Scottish Borders, Dumfries and Galloway and the whole area should be covered by a body more similar to HIE, which is focused exactly on the Borders, and without the dilution of the central belt and so on. How would your organisation respond to that?

Teresa Dougall: What we would say in response to that is, yes, we would like there to be ways in which we could identify ways of attracting additional funding to the Borders.

James Pringle: I think it is instructive to say, yes, we would like more money coming into the Borderlands, but not necessarily to the detriment of Highlands and Islands.

Sir James Paice: No, I was not suggesting that.

James Pringle: We are looking at new money, effectively, which, given the current constraints on everyone's budget probably can only really come from Europe, who seem to be awash with it.

Sir James Paice: It was put to us this morning that it would be more the proper share of the existing money. Not Highlands and Islands, but we have received evidence this morning suggesting that the Borders are now getting a lot less money under the current structure of Scottish Enterprise than they were under the previous one.

Teresa Dougall: Highlands and Islands Enterprise have had the opportunity over a number of years to become good at what they do and attracting funding. They have also managed to get off the ground a lot of really good projects that have been to the benefit of the area. In a way, it would be good to see more of what they are doing and how it could potentially even be replicated on the ground, where they started from and how they have got to where they are. Completely backing up what James has said, we would not like to see any other area benefit to the detriment of the Highlands and Islands.

Q122 Mark Menzies: On a similar theme, Scottish Border Council cites transport investments on cross-border rail and road routes as vital to the promotion of enterprise and economic development in the south of Scotland. First of all, do you agree with that view, and which cross-border transport links are in most need of development?

Gavin Yuill: Yes, I agree that there is a need for further investment in public transport. In terms of the social enterprise work that I have been involved in with the Scottish Border Social Enterprise Chamber, in terms of placements and things, if you are in Eyemouth do not even think about looking at a placement in Galashiels if you have not got a car, because you cannot co-ordinate the buses to get there. I suppose even the public transport can be a sort of enterprise transport, some sort of transport system that allows people to look at opportunities outwith their immediate area.

One project that we are involved with at the minute is looking at setting up social enterprise hubs, which is a follow-on from the Burnfoot Community Hub project that we are involved in, but it is specifically for social enterprise. Ourselves, along with the Social Enterprise Chamber and Peebles CAN, realise we are all looking at similar things. Peebles CAN are looking to set up one in Peebles, but they do not want to be stuck with just having to have kids working in Peebles. If we can set up satellite facilities across the Borders then you can start in Peebles and if there is something happening in Galashiels, for instance—if we are looking to try to set one up in Galashiels, wherever it be—I mean, my skills are based in architecture so if people want to have work experience there then they can come and work there. We will try to take care of the transport side of things, but that is a big issue for all those kinds of projects.

Q123 Pamela Nash: Are there any examples just now of social enterprise transport projects?

Gavin Yuill: There was one previously, I am struggling to remember the name of it, but they found it really difficult once they set up in battling contracts and stuff with the local authority.

Pamela Nash: Can I recommend that you look at, in my constituency, the Shotts Getting Better Together Project? I am happy to put you in contact with them. It has been really successful in inter-village links of transport that is not otherwise provided.

Chair: That is done on a non-commission basis, just advice for your own good. Do you want to respond to this?

Teresa Dougall: Yes, just briefly to say we have welcomed the Borders rail link coming through as well. We do see it as an opportunity to be attracting more people into the area. The volume of people coming through to the Borders should increase dramatically if the marketing and everything else has been done right. There are also additional benefits therein with tourism. I would like to hope that there will be continual engagement with the local authorities and other groups that are out there to ensure that we do the most that we can to get the people to come down here and see what there is.

We have, through Scottish Land and Estates, a group of members—albeit outwith this area, but Midlothian—who have looked at the Borders rail link and what they can be doing as a group to be attracting people to get off the train and come out and see what is more on your doorstep. So, yes, I think it has fantastic opportunities.

With regards to road links and suchlike, it has always been one of these difficulties. You travel north to south, it is easy. You travel east to west, it is not so great at all. That is well ken. That is something that has to be addressed between Dumfries and Galloway and the Borders as well, to ensure that we can develop more of the infrastructure and ensure that we are providing on the ground for the people that are there, that they can deliver with the business opportunities.

Chair: I like how you said there that that is well ken. I look forward to seeing that appearing in Hansard next week. James, did you want to add anything to that?

James Pringle: Yes, I concur that the road network north/south is really not bad for an area this size, but the east/west is reasonably atrocious. Certainly the smaller roads, the country roads, as it were, just have not had the investment that they need. I do not think we are alone in that. The funding simply is not there. I think unless one could do something east to west, then at least allowing people to move around the countryside without wrecking their cars or going at five miles an hour is vital.

Q124 Chair: Sorry, but what does that mean?

James Pringle: That a lot the smaller roads, the Bs and the Cs, are now almost impassable, partly because of the lack of investment over the years and the effects of weather, but the amount of timber that has been moved around quite frequently on small roads, they are just being wrecked. The local council does not have the funds available to do something about it.

Chair: Fine. That is helpful.

James Pringle: On the back of that, I do remember many years ago that the original campaign for the Borders Rail was trying to reopen the Waverley Line from Hawick down to Carlisle to move timber. Our lovely politicians in their wisdom said, “Oh, no, we will move people from Edinburgh down to Galashiels” and did exactly the opposite. I think

one of the vital things that could be done, merely by spending money, would be to reopen that line, which would not only move timber, people would be able to move from the east coast to the west coast much more easily, but it would also give the rail network a third leg when the weather gets bad on the coast.

Q125 Graeme Morrice: There has been quite a lot of discussion, and we have certainly had quite a bit of evidence on the issue, on what is the most appropriate mechanism for dealing with economic development in the Borders. Obviously you will have heard of a number of people that have expressed concerns about how the local enterprise companies have disappeared and that Scottish Enterprise now has the remit for most of Scotland. Whatever body we will see in the future, whether it is a local enterprise board for the Borders or the continuation of the existing system, there is a view that it should nevertheless offer some kind of a social remit that is akin to the case in the Highlands and Islands Enterprise body. Why do you think there is a demand for that and what do you believe to be the tangible benefits for that to happen? James, do you want to go first?

James Pringle: I think all of these bodies, initiatives, projects, are aimed at bettering the lives of people, and quite a large part of people's lives revolve around the social side. Especially in quite a lot of rural areas where, perhaps, it is not considered to be right for wives to work—which is maybe a rather old-fashioned view, but it still holds in quite a lot of rural areas—where mothers are forced to stay at home because of a lack of childcare and so on, that the social side of all these projects is vital, and business is not the be-all and end-all, albeit it does bring the money in.

Graeme Morrice: Yes.

Chair: Gavin, I can see you are busting to get in there.

Graeme Morrice: Gavin, desperate to get in there, aren't you?

Gavin Yuill: I guess the social side of it is that there is always the need. The reason that the trust was set up was that over 50 per cent. of the people on the Borders could not afford market housing. It was the Scottish Borders Council requirement for affordable homes, and they were not meeting it. We have talked about the funding and that all being squeezed, so this was a case of saying, "Okay, if everyone's funding is squeezed then we have to try to find it somewhere else".

The project I mentioned previously in Newcastleton, that whole thinking was saying, "If you can galvanise people of the area—" because there is plenty of money in the Borders, but it is concentrated in small pockets. If they can see the social need and the benefit to them, then they will get involved. We worked on another project in Ettrick Valley, which was a feasibility study looking at a house that was in the forestry estate that was dilapidated. The owner did not want to knock it down, but he wanted to see somebody in the community use it.

We prepared a feasibility study on their behalf to take this out to the community and say, "Look, you can basically have it as a shared ownership model. You just take it on and do it up as you like, and there you go, it is back in the community". He has now sold that to a local that is doing the house up. He is a local farmer, so that helps the area as well.

What I was saying before about the hope for me, if you can get business involved with social enterprise it is going to be all the more powerful. Because we are working on a number of projects where we are convincing business people that this works for them as well as it does for the local community, and they are happy to get behind it if it means that their development happens at the same time. It has come to that point that some of it is that they find difficulty of just going down the normal route with SBC, so you take a different tack and find that it works, because there is a need.

Graeme Morrice: Yes. Thank you.

Teresa Dougall: We would agree with what has just been said there as well. I have got one member across at Dormont Estate who undertook a passive house development. Part of the reason for that was to allow for affordable rural housing. There was a demand for it in the area, but it was also to tackle the issues of fuel poverty. Within rural areas that is one of the key issues as well, because you have a lot of these properties that have been built 150 years ago; how do you bring them up to the standard that is now expected? A lot of them you cannot put in gas central heating; the cost of fuel has been upped as well, so how do you look at the social element of that?

That was one of the things that drove him forward. It was, “I want to be able to help my community. I want to be able to deliver on the ground affordable housing and also tackle fuel poverty.” We have been across there a few times to see this and it is fantastic going in and speaking to these people. Basically, they are happy, their bills are cut, and they are in an affordable rural house that is within their reach. That is something that does come about. A lot of the time one of the barriers to these types of development is through the planning policy of the councils, which again seems to vary from area to area.

Q126 Pamela Nash: The Scottish Affairs Committee has managed a whole day so far not talking about devolution, but we are just about to—not just devolution from Westminster to the Scottish Parliament, or even from the Scottish Parliament to local government, but beyond that, certainly something that has been a theme for our work, trying to get more powers to local communities. I wanted to ask a bit about your experience of this and what advantages and disadvantages there are of devolving power down to local communities. What structures are in place or would need to be put in place to do that? I am currently thinking about community councils, are they set up to participate in this way or would we need an alternative structure?

Gavin Yuill: Another reason for the trust being set up was that I wanted to go directly to the people that our project would benefit. You are not going through RSLs or anything, it is working straight for them. It works, certainly, but the issue we have come across recently working with a local nursery is that if you leave it just to the community group it goes in cycles. For two years you will have a cracking committee that runs it really well, and then obviously the kids disappear, and the skill set drops off, you will struggle for a couple of years, and it goes like that. For me, what I said in the evidence that I provided was that if you had a policy that advocates social enterprise and community development, you can take it all the way down to people level but you need organisations to give support. Giving those organisations incentives or the structure to say, “These guys will help you and we recognise what they do”, is hugely helpful. When we get involved in a project we want to always be involved, so that we are not disappearing, it is sustainable

and you do not have that drop-off of talent. Because just through normal cycles you have not always got someone who knows what they are doing with housing in the local area, or whatever facility it may be.

I think you have to have a policy that supports the idea, and you have to recognise that you do need, not just people there on the ground but you need organisations that are part of the community that say, “We will support this”. That, again, is why I have come to the conclusion that you need to involve everybody in a co-production kind of structure. We are working much better and our work is expanding when we deal with more than just social enterprise. So we are also working with housing developers that are using a similar model that we are, but it is not the same thing. It is just that that is how they are building some houses.

Q127 Pamela Nash: I am just smiling, Gavin, because the next question I was going to ask is, could you name an example of best practice for us? I take it you would recommend yourselves?

Gavin Yuill: Well, I believe in our model wholeheartedly, yes. I put the point earlier about geographical area. That is a problem for me as well, because we have a principle that we want to help affordable housing community facilities anywhere, but when you go for funding pots or whatever they say, “Okay, well, what is your geographical remit?” That is the whole of the UK, if I wanted to. It is the project that is the important thing. Where it is happening is as well, but it is the idea of social investment, social enterprise, and co-production that is important.

Q128 Pamela Nash: Thank you. Could I just ask Teresa and James as well, please, what do you see from your point of view as the advantages of getting the community much more involved at that level? What are the potential pitfalls, and how do we avoid them?

James Pringle: Getting the community involved allows you to identify things that are important to the community. They are going to be much less impressed if you come along and say, “You small community, you need a play group” or, “you need a—” whatever it is. They need to be encouraged and enabled to work out for themselves what they need. I think one of the things that quite often is lacking is a helping hand, a mentor, someone who can not only help them identify the need but who understands how to fill in forms, who is perhaps a hunter/gatherer of public money, who knows what money is available in what budget, what that particular budget needs in the way of buzz words, and all that sort of thing so they can fill out the prospectus properly.

Really, at that stage you can then leave them to it, and say, “Right, there you are. There is the funding; there is the project, get on with it”. That has to be driven by the community. There are some communities who work terribly well, some communities that effectively do not care less. I think Gavin’s point that that is often a function of people moving on and off committees is a very important one. At the moment nobody is on the committee who really wants to do anything, they all want to sit around in the pub and have a drink, and chat. Well, they do not get anything done. How you go about that, and how you go about devolving, not only the power but the funding, which is the important bit, to be quite honest I do not know. I do not have an answer to that.

Pamela Nash: Thank you.

Teresa Dougall: There have been a couple of projects that I am aware of that might give you a bit more information. We were talking earlier on about communities who are small pockets where there is high unemployment. Going to what James said as well, there was a project in Dumfries and Galloway that was funded via LEADER, Capacity for Change. What they did was they went out and identified a village with a community that needed some help to look at what funding was available for them, and improve what they had, and sustain what they had.

They have done a paper on that, which I am sure they would be happy to share with you. It highlighted how some communities are not sure of what they need, but they do need help and they do need somebody behind them to say, “Look, we can help you. We can help you apply for the funding, we can help you implement it on the ground, and this will make life that bit better for you”.

In another of our estates a lot of work has been done with the local community in Johnstonebridge, where they have helped them expand the local school, provided a village hall, and again that has been very much about working with the community to identify what their needs are. It is about, as well—going back to what Gavin said—sustainable rural communities. How do we keep the children there for the future? How do we sustain what we already have?

Pamela Nash: Okay. Thank you very much. Thank you.

Q129 Mike Crockart: In a lot of the other sessions we have covered specific issues that seem to be particular to rural areas. It has been quite wide-ranging. It has covered things like tourism, agriculture, low ages, youth unemployment, transport links, training and apprenticeships, fuel costs and off grid. There are quite a lot of issues that seem to impact more on rural communities. I suppose the question is: what are the things that you see are the particular problems for south of Scotland? Is that unique to south of Scotland or is that common to most rural areas?

Teresa Dougall: Just a quick one in addition to what you have said is broadband connectivity. We have been having this discussion with quite a lot of our members of late, whereby even when the—now, I am not techy, so excuse me here—the fibre optic cables are put in they still do not have the connections that they require. I was speaking to one of our members just recently where he was saying that he is in the process of looking at a project where he would erect a mast of his own, but it has to be on top of a specific hill to allow for the sightline. What it would do is it would allow for him to develop a business idea of having offices in the country to, again, attract more people to work outwith the major towns and cities.

He is finding as well that he is losing some tenants from his housing because they do not have broadband connectivity. So it is not just from the business side, it is also from the social element side as well. That is something that does have to be looked at. I know it is a funding issue; it is not just within this area that we have it, but it is pertinent to the rural sector especially at the moment.

Gavin Yuill: Obviously the particular issue is—what I come back to—the strength and the weakness of the Borders is that there is so many communities that you have to create the same facility over and over again. You do not have the numbers to stack up, and there is not connectivity between them. It is a strength and a weakness and because of that problem the developer contributions then have to go up, because you have got to cover the costs of that additional money that is required.

Q130 Chair: These are very much the issues that we would see right across the area. I think what we were after in this question was try to identify whether or not there is anything that we ought to be aware of, that maybe has not come up elsewhere, that was specific to the south of Scotland. For example, if you were having the same sort of dialogue in the Highlands somebody would raise the question of Gaelic, for example. Gaelic is not an issue that applies here, but we are looking for, as it were, the equivalent of Gaelic, so to speak, as being something that would need to be taken account of in the Borderlands in a way that would not necessarily apply elsewhere.

Gavin Yuill: In the Scottish Borders I would say that that is a specific thing, in that in the Highlands people group behind that as an area. “I am from the Highlands”. Yes, okay, you have got your small communities as well in that, but in the Borders it is very much the places in the Borders. People are from Gala, they are from Hawick. We are working on a project at the minute at Yetholm Parish Church, which people at Morebattle say, “Absolutely no way will I be buried or go to church in Yetholm”.

Chair: Have you seen Yetholm?

Gavin Yuill: What I mean is that there is such a strong connection with your individual place, whereas “the Borderlands”, if you were to say that to someone in the Borders they will be like, “What?” It is, “I am from the Borders” not, “the Borderlands”. I think that is the big thing. If you can get that mentality switch on, that this is a bigger area, and, yes, you still have your own small town, and that is where you are from, and that is where your heart is, but if you pulled together then you will cover that gap. That is a mindset thing, but I think that is a specific issue here.

Q131 Chair: Can I pull out that question of the mindset? Because one of the issues that has come up a number of times to us in different ways is the “ae been” mentality. “That’s how its ae been. It has been good enough for my father and my grandfather. Let’s not rock the boat” and all the rest of it. Do you think that that is a difficulty that requires to be overcome here, or is that just the same in any sort of conservative—with a small c—local community?

Gavin Yuill: Yes, I think it is similar, but I think it is more emphasised here. Because of the nature and the history of the place it is definitely a bigger thing that has to be dealt with, not changed in any way, because like I say, it is a strength and weakness at the same time. I think at the moment, certainly from my work, you are dealing with the older generation in terms of the Borders, and a lot of them are getting to retirement age.

Part of this policy for me is about how you have to address it. You need to get young people back to the Borders and they bring the dynamism and they make the changes, and the people who are here as well, for them to get involved. I came back here for family, I am very passionate about my work and I hope I am making a change, but if there is a

higher policy that encourages general social enterprise business to come back and it encourages younger people to take that over then, yes, I think we can start knocking that down.

Q132 Chair: Any observations?

James Pringle: Yes. I think that the, “ae been” attitude, which I have to say I think it is probably more prevalent in the Borders or the south of Scotland than perhaps elsewhere, is a function of a lack of aspiration that because nothing is ever changed, nothing will ever change. I think if you can bring that funding, achieve change and achieve improvement then you will have a knock-on effect that allows other people to go, “Oh, maybe we should have one of those” and they go out and they look for it. I do not think it is something that is so ingrained, except perhaps in the older generation that it cannot be changed by a change of perception.

I think at the same time the coming of the Borders Railway will bring younger people, younger more able, more forward thinking people who hopefully will come up to some of the committees that are going to achieve that change but that is going to be a long term thing.

Q133 Chair: There are two things I just want to ask you about from that. “Ae been-ism” as it were, you know, in the Borders, contrasts a bit with the sort of the dynamism that we have seen in the Islands: “Our Islands - Our Future”, political leadership there driving things forward. But there does not seem to be the same dynamic here at all. I just wondered whether or not you thought that was sort evidence of “ae been-ism”.

But the second point related to people coming in from outside. When in the Highlands and Islands we quite often got evidence that people that came in from outside, yes, might have been more pushy and dynamic and want to see things happening, but they were not necessarily wanting to see things happening in the way that the quieter, less of the pushy locals wanted to see happening. I think there were some examples given to us to do with, for example, wind farms, because those who have come in from outside did not want any change that spoilt the view, whereas many people who were there and had been there for a long time welcomed almost anything that would generate some work for the local people. How do you manage to meld, as it were, that injection of new thinking and new blood with making sure on the other hand it did not simply overwhelm what was good about local traditions and attitudes? Yes or no?

James Pringle: It is a very difficult one and one would hope that the existing community councils and other bodies would slowly inject one or two incomers with their funny, new-fangled urban ways and urban thinking, to try to get the best of both worlds. It is quite interesting that a lot of people who move in to the Borders because they want to retire here because it is bonny, it is lovely, lots of little communities and all the rest of it—as Gavin says, that is its great strength—they do not want change, they want to shut the stable door and not let anyone else have a house in the next field or have a wind turbine or anything else. Quite often it is the locals who love to see change, they have just never seen any evidence of it happening anywhere so we do not bother even asking. Possibly that is part

of the role of the mentor, the facilitator, to make sure that we do not throw the baby out with the bath water.

Teresa Dougall: I would just add to that as well. I think as we are talking about the Highlands again, they are good at what they do; I do not think that should be forgotten. They have had the time to develop these groups, they have had the time as well to learn what works and how to attract the funding. Down here sometimes we do not give ourselves enough credit, there are a lot of really good organisations out there and good initiatives underway but they are struggling to attract new and different types of funding because they are always having to show that they can provide more.

Southern Upland Partnerships, Queensbury Initiative, is another one that struggles. Queensbury Initiative entirely deliver what they are asked to do but each time they go for funding they have to tweak their programme slightly in order to get new funding coming in. I do not know if that is right or whether it is just the way the funding is done but we have a lot to learn from Highlands and Island but we do not give ourselves enough credit.

Gavin Yuill: I think part of that “ae been” thing would be about encouraging not necessarily newcomers, but it is about getting people who have left to come back. Another thing is that you have that context that would be helpful.

Q134 Chair: People have seen the rest of the world and it works and some of it could be applied here sort of thing.

Gavin Yuill: Exactly, yes. I think that is the thing.

Q135 Sir James Paice: Just to conclude the session, can we turn to one issue that is going to affect both the Scottish Borders and Dumfries and Galloway, and that is the changes to the common agricultural policy with the transition from historical to area based payments is going to take estimates of something like €26 million out of the agricultural economy in this part of Scotland, moving it to elsewhere in Scotland. Do you have any views as to how big an impact that is going to cause and what measures should be taken to deal with it?

Teresa Dougall: That is a huge question. There are definitely going to be major impacts and repercussions from this, but we always have to be aware of the fact that the funding comes back to the public purse and public goods and what we can provide for the public good. I do not want to quote figures because I will probably get them wrong but I know that in MD & G and a huge part of the Borders, agriculture is one of the main providers of employment. It is also about the food production side of it as well.

So we do not know as yet what the outcome is going to be to these cuts in funding but you also as well have, especially or more so in MD & G, but the effects on dairy farming and the cuts there as well. So this is a time of real uncertainty for farming and agriculture and it is something which is going to have a knock-on effect going forward. What that is going to be entirely is anybody's guess.

Q136 Sir James Paice: Is there anything that the UK Government should be doing on that?

Teresa Dougall: Fight for more funding. That is it in a nutshell. We require more funding. We require a fair share of funding as well.

Q137 Sir James Paice: What do you mean by that?

Teresa Dougall: How can I actually put this?

Q138 Sir James Paice: However you like; we are all big boys.

James Pringle: When we say a fair share we usually mean more of these things.

Teresa Dougall: Yes. I believe that the UK as a whole should be entitled to more funding when it comes to CAP reform.

Q139 Chair: Thank you. Are there any final questions?

One point, one of the issues that has come up, and frequently for us, in terms of transport, housing and fuel poverty, is basically lack of income. One of the things, if not the best thing, that happened to the Borders in terms of raising incomes here was the introduction of the national minimum wage. Is it going to have to be something like that, raising the level of the national minimum wage that increases people's incomes here, or is there another way? You keep hearing about textiles is a bad payer, agricultural is a bad payer, tourism is a bad payer, all those industries that are prevalent here none of them are particularly generous when it comes to paying wages. Is the raising of the minimum the only way in which we can boost salaries overall in an area like this?

Gavin Yuill: I would say it is about encouraging new businesses to set up here so that there are other opportunities, because if there are only a few opportunities then the wage races to the bottom. That is not just business coming in, but there is this social mindset alongside it, and it is about community benefits that are equal to the business coming in and you would do it differently. From our experience, you just say, "If it is not working that way, how can we do it a different way." In terms of going to landowners who have land that they do not want to sell but they are happy for something to happen, you just say to someone, "Okay, you can build a house there," and it is a shared ownership model and that reduces the amount that they are spending on the housing, they are living where they want to live and then they do not need the cracking wage. A lot of it is that you just want to have enough to live where you want to live.

Q140 Chair: There are lots of people do not have enough.

Gavin Yuill: But that is what I am saying. So if you are doing it differently, and you encourage coproduction from business and Social Enterprise, and if there is a different approach, then it does not matter what you are earning as long as you are earning enough.

The minimum wage, yes okay, if you could just blanket, say to every business in the Borders, “Right, we are going to put the minimum wage up to £10”, fine, okay, but that would affect the businesses. So how do you work with the business and the area so that people are earning enough to be where they want to be rather than putting a blanket rate on it that might not stack up with agriculture if their funding is going to get slashed. If they do not have the money to pay the wages then they do not pay the wages.

James Pringle: I do not think there is a race to the bottom. The south of Scotland has quite a low unemployment rate. One of the previous problems is that the traditional industries are becoming so high tech now that there is a disparity between those who are driving the tractors with lots of computers on them, driving the forestry harvesters, which you obviously need a university degree to work, and the people who are essentially self-employed. There is a very high percentage of people in the Borders and Dumfries and Galloway that are self-employed or perhaps employ one person to help them, and they can only pay what they earn, they cannot pay any more than that before they suddenly find themselves back in the job market.

When low wage households are employing joiners who can only pay low wages it is equivalent to two families taking in each other’s washing, it simply does not work. The money may go round and round but it never gets any bigger. The only way we can change that is to bring in, or start, new indigenous industries that can pay well. Again, we come back to the transport issue because at the moment we do not have an awful lot of raw materials in the south of Scotland. So you have to bring things in to add value to them in order to sell them back out of the area. We have very high quality food and drink, which can have value added to it but if you take a lot of the money out of the agricultural sector there is no money to invest in adding that value in the first place.

So I think it comes back down to what used to be called “an enabling government”. I remember reading a report some time ago suggesting that governments of all levels should be more enabling and less restrictive. I have not seen any evidence of that happening. I think there should be a culture change within all levels of government to say, “We want to get things to happen. We want to be able to succeed. How do we implement rules in order to allow this to happen?” rather than, “It is not in the rules so you cannot do it”.

So it is funding and it is an attitude change within government. I do not think there are many employers in the Borders who actually want to pay low wages. It is not good for them. It certainly is not good for me to have a poverty stricken population around me who cannot afford to rent my houses or buy my timber products, or whatever it is.

Q141 Chair: As I indicated to you privately before we started we always end up by asking you whether or not there are any answers you had prepared to questions that we have not asked. Are there any points that you think you want to make that have not been covered by the sort of discussions that we have had so far?

James Pringle: I was led to believe that there would be much more discussion about the Borderlands Initiative, the cross-border concept of joining up the north of England to the south of Scotland and taking us away from the influence of Glasgow and Edinburgh, and Newcastle perhaps. That would allow the NUT 2 boundaries, I think they are called, to be

changed so that we can bring in that extra money from Europe, which as far as I can see at the moment is one of the few places we could get it.

Q142 Chair: I think we pretty comprehensively covered the whole question of NUTS 2 both in the earlier discussions that we had when we were in Langholm and earlier on today and that is why we did not touch on that again. We have been persuaded of the case for that and about the difficulties of it changing the NUTS 1 boundaries and so on and so forth. So I think that has been covered. We touched on extending the Northumberland National Park to the Cheviots and things to do with the public service, so we have covered most of that, with respect.

James Pringle: Okay. Forgive me, I did not hear it.

Chair: No, that is fair enough. Well, thank you very much for coming along. What fun this has been for us all. It has been very helpful and I hope you have enjoyed it. If there is anything else that you think upon reflection that you wish you had said to us, by all means. if you can, get it in fairly quickly in writing because we are hoping to draw our report up and produce something by the end of this month. Right, thanks very much. Order, order.