

Argyll and Bute Council
Comhairle Earra Ghaidheal agus Bhoid

Customer Services
Executive Director: Douglas Hendry



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24 August 2011

NOTICE OF MEETING

A meeting of the **ECONOMY THEMATIC CPP GROUP** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **WEDNESDAY, 31 AUGUST 2011** at **1:30 PM**, which you are requested to attend.

Douglas Hendry
Executive Director - Customer Services

BUSINESS

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST (IF ANY)**
3. **MINUTES**
Economy Thematic CPP Group 25 May 2011 (Pages 1 - 6)
4. **PRESENTATION ON THE AGRICULTURE INDUSTRY/SRDP GRANT SCHEME**
Presentation by Bill Dundas, Argyll and Western Isles Area, Rural Payments and Inspections, Scottish Government
5. **ECONOMY THEMATIC CPP GROUP SCORECARD (TO FOLLOW)**
6. **COMPLETION AND DROP OUT RATES OF APPRENTICESHIPS**
Report by Skills Development Scotland (to follow)
7. **PARTNER UPDATES ON CPP PLAN**
8. **HIGHLIGHT AND EXCEPTION REPORTS**
 - (a) Argyll and Bute Strategic Housing and Communities Forum (Pages 7 - 10)
 - (b) Argyll and the Islands LEADER Local Action Group (Pages 11 - 14)

9. **INFORMATION TO BE INCLUDED ON CPP WEB PAGES**
Verbal report by Community Planning Manager
10. **ARGYLL TIMBER TRANSPORT GROUP AND STRATEGIC TIMBER TRANSPORT FUNDING**
Report by Transport Planner, Argyll and Bute Council (Pages 15 - 18)
11. **CONTRACTING FOR GET READY FOR WORK**
Report by Skills Development Scotland (to follow)
12. **UPDATING OF SINGLE OUTCOME AGREEMENT**
Verbal report by Community Planning Manager
13. **ROAD EQUIVALENT TARIFF (RET) BRIEFING NOTE**
Report by Strategic Transport Manager, Argyll and Bute Council (Pages 19 - 22)
14. **THE ARGYLL AND BUTE RENEWABLE ALLIANCE - PROGRESS REPORT**
Report by Development Projects and Renewables Manager, Argyll and Bute Council (Pages 23 - 26)
15. **FUTURE WORK PROGRAMME**(Pages 27 - 30)

ECONOMY THEMATIC CPP GROUP

John Binning, SPT	Ishabel Bremner, ABC
David Cannon, Cal Mac	Allan Comrie, SPT
Douglas Cowan, HIE (Thematic Lead)	Linda Haig, ACHA
Bill Stewart, SEN	Councillor Alister MacAlister, ABC
Jane MacLeod, Mid Argyll Chamber of Commerce	
Councillor Donald MacMillan, ABC	Councillor Alex McNaughton, ABC
Anthony Standing, SDS	Frances Webster, SDS
Robert Pollock, ABC	Councillor Elaine Robertson, ABC
Councillor Ron Simon, ABC (Chair)	
Shirley MacLeod, ABC	Eileen Wilson, CPP
Jonathan Welch, ABC	David Clements, ABC

Contact: Fiona McCallum Tel: 01546 604406

**MINUTES of MEETING of ECONOMY THEMATIC CPP GROUP held in the MEMBERS ROOM,
KILMORY, LOCHGILPHEAD
on WEDNESDAY, 25 MAY 2011**

Present: Councillor Ron Simon (Chair)

Councillor Alister MacAlister
Councillor Alex McNaughton
Douglas Cowan, HIE (Thematic Lead)
Anthony Standing, Skills Development Scotland
Frances Webster, Skills Development Scotland
Bill Stewart, ABSEN

Attending: Charles Reppke, Head of Governance and Law
Ishabel Bremner, Economic Development Manager
Audrey Martin, Senior Planning/Development Officer
Mike Johnston, Best Value Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were intimated from Councillor Donald MacMillan, Councillor Elaine Robertson, David Cannon, Caledonian MacBrayne and Jane MacLeod, Mid Argyll Chamber of Commerce.

2. DECLARATIONS OF INTEREST

None declared.

3. MINUTES

The Minutes of the Economy Thematic CPP Group meeting held on 23 February 2011 were approved as a correct record.

4. ECONOMY THEMATIC CPP GROUP SCORECARD

Consideration was given to the proposed revised contents and layout of the Economy Thematic CPP Group Scorecard.

Decision

1. Noted that apart from HIE no feedback from Partners had been received on measures they would like included on the Scorecard; and
2. Agreed the new layout and that a further request should be made to Partners to also include some key indicators and that the contents of the Scorecard will be finalised and signed off at the next meeting in August 2011.

5. AGRICULTURE INDUSTRY IN ARGYLL AND BUTE/SRDP

As Bill Dundas from the Scottish Government had not arrived to give his presentation it was agreed to invite him to attend the next meeting in August 2011.

6. YOUTH DESTINATIONS/MODERN APPRENTICESHIPS AND GET READY FOR WORK AND TRAINING FOR WORK EMPLOYABILITY PROGRAMMES

Anthony Standing of Skills Development Scotland (SDS) gave a very informative presentation on the results of the survey carried out in October 2010 on School Leaver Destinations for Argyll and Bute based on 2009/10 leavers and also information on the different types of Modern Apprenticeships available across Argyll and Bute and the take up of these by 16 – 19 year olds and the 20+ age group.

Anthony also provided an update on the contracts for the Get Ready for Work employability programme for 16 – 19 year olds and Training for Work employability programme for unemployed adults or those under threat of redundancy and confirmed that Argyll Training had been awarded both these contracts.

He also responded to a number of questions arising from his presentation and referred to a piece of work Skills Development Scotland were currently undertaking on Bute in which they were gathering information on why unemployment figures were rising on the island even though HIE had heard from employers that they were having a difficulty in employing and retaining staff at appropriate levels.

Decision

1. Noted the contents of the presentation and that a copy of the full survey report on School Leaver Destinations would be circulated to the Group by SDS along with a copy of the results of the follow up survey currently being undertaken and due for publication in June 2011;
2. Noted the contents of the SDS Service Level Agreement with Argyll and Bute Council and Work Plan for 2011/12;
3. Noted that SDS would provide for the next meeting a report on completion rates and drop out rates in respect of Apprenticeships; and
4. Agreed that it would be useful to track on a monthly basis the take up of Modern Apprenticeships on the Economy Thematic CPP Scorecard and that other measures in respect of School Leaver Destinations could be tracked on an annual basis.

7. PARTNER UPDATES ON CPP PLAN

Partners provided information on work currently being undertaken in respect of the Economy Community Plan Actions.

Argyll and Bute Council

Business Gateway

Ishabel Bremner reported that for the last financial year 2010/11, business start ups supported was 159 exceeding the target of 135 by 18%. This is an increase of 19% points on last year's (2009/10) figure of 133 business start ups supported. The start ups supported by area are broken down as follows:

- 27 MAKI versus a target of 27; compared with 33 last year
- 26 OLI versus a target of 26; compared with 15 last year
- 35 B&C versus a target of 26; compared with 24 last year
- 71 H&L versus a target of 56; compared with 61 last year

She also advised that 91 workshops and 87 Meet the Adviser events were delivered across the area during 2010/11.

She confirmed that the Competitive Business Growth Programme pilot was gaining momentum and that she would report further on this at the end of the pilot in September.

Renewables

In terms of renewables Audrey Martin gave an update on the following:-

Renewable Energy Action Plan – looking at key actions and seeking to delivery these in partnership with HIE and the industry.

CPP Offshore Wind Renewables Event which was well attended.

Development of a renewables interactive map available on Argyll and Bute Council's website.

Working with An Suidhe to facilitate the process of delivering of a range of community benefits in association with their operating wind farms.

Energy Event in Aberdeen – international event with over 500 exhibits including a joint stand by the Council and HIE.

Tiree Master Planning Project – working in partnership with Marine Scotland, the Crown Estate, HIE and developers to map processes in consultation with the local community over the next 6 months .

Working in partnership with HIE on a National Renewables Infrastructure Plan.

Argyll and Bute Renewable Alliance – the formation of which was a key action outlined within the CPP Renewable Energy Action Plan. Its inaugural meeting was held in March 2011 and brought together key partners including Argyll and Bute Council, the Scottish Government, Marine Scotland, HIE, Scottish Power Renewables, Scottish and Southern Energy, Crown Estate Commission and Skills Development Scotland and where there was a good level of engagement and buy in to the process.

HIE

Machrihanish

Douglas confirmed that a new joint venture company (Scottish and Southern Energy and Marsh Wind Technology Ltd) has completed the purchase of the Skykon wind turbine tower manufacturing and assembly plant at Machrihanish, Campbeltown from its Administrators bringing real international players physically into Argyll and Bute.

Targets

Douglas confirmed that HIE met the majority of their targets last year and that this year their targets will be on impact type measurements and that he will arrange for these to be made available on Pyramid.

Dunstaffnage

Douglas advised that there had been little tangible progress since the last meeting and that they hoped to have a contractor in place by late August 2011.

SDS

See item 6 of this Minute.

Argyll and Bute Scottish Enterprise Network (ABSEN)

Bill Stewart advised that as this was his first meeting he would be able to provide a more comprehensive report to the next meeting. He referred to the work carried out by ABSEN including providing information and training; improving procurement practices in the public sector; and strengthening links with national agencies. He advised that they were in the process of carrying out an Evaluation Survey which had last been undertaken in 2009. He confirmed that membership had increased over the last year and advised that two Regional meetings had been held this year and that the plan was to hold four meetings per year. He also advised that ABSEN's annual conference would be held in October.

Bill confirmed that he would liaise with Ishabel on identifying some meaningful measures to be included on the Economy Thematic CPP Scorecard.

Decision

Noted the updates provided by Partners.

8. HIGHLIGHT AND EXCEPTION REPORTS

(a) ARGYLL AND BUTE STRATEGIC HOUSING AND COMMUNITIES FORUM

Consideration was given to a highlight and exception report provided by the Argyll and Bute Strategic Housing and Communities Forum.

Decision

1. Noted the activity that was undertaken by the Argyll and Bute Strategic Housing and Communities Forum during the period November 2010 to April 2011 and the key challenges and actions to be addressed in the future; and
2. As Housing had a significant impact on the economy and the construction industry agreed that the theme for the November meeting should be Housing and Planning.

(Reference: Report by Argyll and Bute Strategic Housing and Communities Forum dated 17 May 2011, submitted)

(b) ARGYLL AND THE ISLANDS LEADER LOCAL ACTION GROUP

Consideration was given to a highlight and exception report provided by the Argyll and the Islands LEADER Local Action Group.

Decision

Noted the activity that was undertaken by the Argyll and the Islands LEADER Local Action Group during the period December 2010 to April 2011 and the key challenges and actions to be addressed in the future

(Reference: Report by Argyll and the Islands LEADER Local Action Group dated 17 May 2011, submitted)

(c) ARGYLL AND BUTE RENEWABLE ALLIANCE

See item 7 – Partner Updates on CPP Plan.

9. INFORMATION TO BE INCLUDED ON CPP WEB PAGES

In the absence of Eileen Wilson, Community Planning Manager it was agreed to continue consideration of this item to the next meeting.

10. FUTURE WORK PROGRAMME

Consideration was given to the future work programme of the Economy Thematic CPP Group.

Decision

1. Agreed that the following items would be included on the agenda of the next meeting on 31 August 2011:-

Report on Outcome of evaluation of RET

Partner Updates

Economy Thematic CPP Group Scorecard

Presentation by Bill Dundas on Agriculture Industry in Argyll and Bute

Strategic Timber Transport Funding

Highlight and Exception Reports

Information to be included on CPP Web Pages

Presentation by HITRANS (provisional)

2. Agreed that the theme for the November meeting would be Housing and Planning.

Strategic Partnership Highlight & Exception Report

argyll and bute

communityplanningpartnership



Strategic Partnership (Name of Partnership you are reporting on)	ARGYLL & BUTE STRATEGIC HOUSING & COMMUNITIES FORUM
CPP Thematic Group (i.e Economy, Environment or Social Affairs)	SOCIAL AFFAIRS
CPP Outcome (please select – you can select more than one outcome) Please refer to attached table for more detail on each CPP Outcome.	<input type="checkbox"/> CPP/CP01 – competitive and successful businesses <input checked="" type="checkbox"/> CPP/CP02 – sustainable economic assets <input checked="" type="checkbox"/> CPP/CP03 – vibrant towns that are centres of economic growth <input type="checkbox"/> CPP/CP04 – promoting our cultural, social and natural heritage <input type="checkbox"/> CPP/CP05 – Utilising our environment to create employment and prosperity <input type="checkbox"/> CPP/CP06 – Protecting our unique area <input checked="" type="checkbox"/> CPP/CP07 – services are planned and delivered based on local need <input checked="" type="checkbox"/> CPP/CP08 – overall health, wellbeing, independence and social inclusion are improved <input checked="" type="checkbox"/> CPP/CP09 – people feel safe and secure <input type="checkbox"/> CPP/CP010 – our diverse culture is celebrated

<p>Activity Summary in Period (please state period you are reporting on)</p>	<p>April 2011 – July 2011 The Forum met on 17th June 2011 and considered following issues:</p> <ul style="list-style-type: none"> ● Review of Forum remit & membership - generally positive feedback on operation and membership of partnership. New structures to include local area housing fora with community representation to feed into central Forum. ● Local Housing Strategy - The Scottish Government has formally approved the Housing Needs & Demand Assessment for Argyll & Bute as being “robust & credible” – this is now available from council website. The Forum approved the consultative draft LHS for circulation to stakeholders and wider public dissemination. Consultation period ends in September 2011. The LHS incorporates a Housing Information & Advice Strategy and an Empty Homes Strategy which are also both out for consultation. ● Strategic Housing Investment Plan - The Scottish Government has provided very positive formal feedback on the 2010 SHIP (with particular reference to stakeholder engagement via Forum). However, major changes to the processes and budget available for affordable housing development will have a critical impact on the delivery of the SHIP programme in future. A number of bids for affordable housing projects have been submitted to the Scottish Govt’s new Investment & Innovation Fund and the outcome should be known by end of August
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	<p>2011, however, there is no guarantee that A&B will attract any funding this year at all.</p> <ul style="list-style-type: none"> • New Build Completions – there were no RSL completions in this quarter, however, progress has been made, with ongoing developments in Campbeltown & Lochgoilhead. • HOME Argyll – Recent CHR staff review days focused on new Housing Options approach and impact of Welfare Benefit reform. • Rural Housing Enabler Project – LL&TNP have appointed a RHE to promote affordable housing issues and explore opportunities at level of local communities. In A&B, the main focus is likely to be Luss. • A&BC Main Issues Report – Planners have issued the MIR for consultation. This is closely aligned with HNDA & LHS and was considered by the Forum.
Key Challenges & Actions to Address	Key challenge remains the loss of core development funding and fundamental restructuring of public investment in affordable housing which will impact on supply while at the same time need & demand are exacerbated by economic trends and national policy shifts such as welfare & benefit reforms.
Name	Moirra MacVicar
Date	28 th July 2011

Please complete and return to:

Environment Melissa.stewart@argyll-bute.gov.uk

Economy Fiona.mccallum@argyll-bute.gov.uk

Social Affairs Fiona.mccallum@argyll-bute.gov.uk

If you require any more information please contact

Eileen Wilson

Community Planning Manager

Argyll and Bute Community Planning Partnership

25 West King Street

Helensburgh, G84 8UW

Tel: 01436 658726

Mob: 07769968098

Eileen.wilson@argyll-bute.gov.uk



Strategic Partnership Highlight & Exception Report

Strategic Partnership (Name of Partnership you are reporting on)	Argyll and the Islands LEADER Local Action Group
CPP Thematic Group (i.e Economy, Environment or Social Affairs)	Economy
CPP Outcome (please select – you can select more than one outcome)	<p><input checked="" type="checkbox"/> CPP/CP01 – competitive and successful businesses</p> <p><input checked="" type="checkbox"/> CPP/CP02 – sustainable economic assets</p> <p><input checked="" type="checkbox"/> CPP/CP03 – vibrant towns that are centres of economic growth</p> <p><input checked="" type="checkbox"/> CPP/CP04 – promoting our cultural, social and natural heritage</p> <p><input checked="" type="checkbox"/> CPP/CP05 – Utilising our environment to create employment and prosperity</p> <p><input checked="" type="checkbox"/> CPP/CP06 – Protecting our unique area</p> <p><input checked="" type="checkbox"/> CPP/CP07 – services are planned and delivered based on local need</p> <p><input checked="" type="checkbox"/> CPP/CP08 – overall health, wellbeing, independence and social inclusion are improved</p> <p><input type="checkbox"/> CPP/CP09 – people feel safe and secure</p> <p><input type="checkbox"/> CPP/CP10 – our diverse culture is celebrated</p>

**Activity
Summary in
Period**
(please state
period you are
reporting on)

Reporting Period : 1st May 2011 – 31st July 2011

Since it began allocating funds in May 2008, the Argyll and the Islands LEADER Programme (including the Convergence Programme) has played a significant role in aiding economic recovery. The LAG has awarded £5,722,693 of grant funding to 183 projects - a substantial cash injection for communities across Argyll and the Islands.

During the first quarter of 2011/12 at the June LEADER LAG (fourteenth round) a total of 12 projects were awarded funding totalling £319,627. A few examples to highlight are as follows:

- a) HopScotch Good Broadband Cooperative Ltd– HopScotch Broadband Connectivity on Isles of Tiree and Bute £46,000: Over the coming years the HopScotch project aims to deliver high speed internet to remote areas of Scotland (specifically the Highlands and Islands) in order to support local community social and economic development. The first phase of HopScotch cooperative activity will be on the Isles of Tiree and Bute and aims to set up sustainable and fit-for-environment high speed wireless internet connections to households and small businesses
- b) Laggan Opportunity and Amenity Fund (LOAF) Machrahanish Play Park £48,370: a small community group taking positive action to improve the community facilities in their area.
- c) Campbeltown Community Council Campbeltown Town Hall – Community Consultation and engagement phase £10,000: salary support for a development worker to assist with community engagement and to take the overall Campbeltown Town Hall project to the next stage (implementation)

Full details all projects funded are available on our website

www.argyllandtheislandsleader.org.uk

THE NEXT FUNDING MEETING WILL BE HELD ON 15th of September 2011

Subsequent meetings will be held quarterly throughout the life of the programme.

Initial enquiries can be made to Project Coordinators: Lorna Elliott 01631 563016

lorna.elliott@argyll-bute.gov.uk or Sheila McLean 01631 564424

sheila.mclean@argyll-bute.gov.uk

The Argyll and the Islands LEADER LAG Annual Report 2010/11 is due to be published at the end of August.

European Fisheries Fund (EFF) Axis 4 - £305,000 of monies for Argyll and Bute to be disseminated by the establishment of a Fisheries Local Action Group (FLAG). Expression of interest submitted by Lead Partner (Ishabel Bremner) on 24 May 2011. It is proposed that we work in partnership with the coastal communities within in South Ayrshire to form a FLAG

Key Challenges & Actions to Address		
	Challenge	Action to Address
	The current economic situation continues to have an impact on the funding available to groups developing projects	Continue to signpost projects to the most appropriate funder to maximise resources
	Ensuring that there is a good level of awareness of the LEADER programme throughout Argyll and the Islands so that groups are aware of the types of project that can be funded by the programme and how to apply if relevant	Ensuring that information about LEADER is widely available so that groups are aware of the types of project that can be funded by the programme and how to apply if relevant
	The development of the new LEADER Programme for 20014 – 2020	Participate in the development of the new programme at a local, National and European level
Name	Lorna Elliott Argyll and the Islands LEADER Project Coordinator	
Date	22/8/11	

Please complete and return to:

Environment Melissa.stewart@argyll-bute.gov.uk

Economy Fiona.mccallum@argyll-bute.gov.uk

Social Affairs Fiona.mccallum@argyll-bute.gov.uk

If you require any more information please contact

Eileen Wilson

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ARGYLL & BUTE COUNCIL**ECONOMY THEMATIC CPP GROUP****DEVELOPMENT & INFRASTRUCTURE****31st August 2011**

Argyll Timber Transport Group (ATTG) and Strategic Timber Transport Funding - Briefing Note for Economy Thematic CPP Group

1.0 Argyll Timber Transport Group (ATTG)

- 1.1 The ATTG is a voluntary forestry group consisting of partner organisations including Forestry Commission Scotland, Argyll & Bute Council, private forestry sector, local hauliers, Community Council's and Loch Lomond and The Trossachs National Park.
- 1.2 The ATTG is one of 7 regional timber transport groups in Scotland and is recognised within the industry as being one of the most pro-active and successful groups in the country.
- 1.3 The full ATTG meets twice annually with smaller Sub-Group meetings occurring monthly between Council Officers and the ATTG Project Officer and Chair.
- 1.4 Many forest areas in Argyll are served by minor roads which are not suitably constructed to accommodate large volumes of heavy vehicles and as such, timber haulage can have an impact on rural roads and on the communities that live close to haulage routes.
- 1.5 One of the key aims of the ATTG is to encourage and improve industry and council liaison with regards to managing timber haulage on fragile road networks whilst sustaining an economically viable timber industry in Argyll.
- 1.6 The role of the ATTG has become particularly significant recently following extensive freeze/thaw damage suffered to the local road network as a result of two severe winters, which has highlighted the fragility of the roads and the need for timber traffic management to sustain the roads essential for access by the wider community.
- 1.7 The ATTG has also championed best practise and the use of technology such as central tyre inflation (CTI) which has resulted in local hauliers making considerable investments to their fleet with a view to sustaining the local road network.

2.0 Agreed Routes Map (ARM) and Preconditions

- 2.1 The ARM (Appendix A) is the primary document used to indicate the status of the public roads in the region and their capacity to sustain standard fully loaded haulage vehicles. The map is configured to indicate Agreed Routes as well as other routes designated in order of capacity as "Consultation Routes", "Severely Restricted Routes" and "Excluded Routes".
- 2.2 Agreed Routes are generally the Council "A Class" network with a few exceptions for areas of limited structural capacity and also other lower class routes where substantial strengthening has been carried out.
- 2.3 The majority of B and C Class routes are designated as Consultation Routes, where generally the capacity is sufficient to cope with regular usage but where some seasonal restrictions may be required.

- 2.4 As part of a recent review of the ARM several routes have been re-designated as “Severely Restricted” in the aftermath of the last two winters and the extensive frost damage. In these cases pre-conditions will be implemented as part of the felling license process to mitigate the recurrence of this damage e.g. no haulage in December, January/February or during periods of frost/thaw and specific agreed frequencies associated with the particular capabilities of the route at other times.
- 2.5 Excluded routes are generally those where the structural capacity of the route is limited or there are alternative routes of a suitable nature to take traffic.
- 2.6 Consultation between landowners / harvesting agents and the Council is essential prior to any planned timber haulage operations, on routes at risk of excessive damage. The Council is a statutory consultee in the felling licence process and recently revised protocols to encourage the agreement of timber transport management plans to mitigate the effects of heavy haulage on these routes prior to the formal application process.
- 2.7 Following this, there should be further consultation on all but Agreed Routes immediately prior to harvesting and haulage operations commencing, to engage all interested parties.

3.0 Strategic Timber Transport Funding

- 3.1 The Strategic Timber Transport Scheme is grant funding allocated by the Forestry Commission Scotland (FCS) for projects that help facilitate the sustainable transport of timber in rural areas of Scotland for the benefit of local communities and the environment.
- 3.2 The Scottish Government have allocated £3m to STTS this financial year although £1m of this is allocated for Timberlink (timber shipping service). Beyond 2012 it is not clear if STTS funding will be continued.
- 3.3 In 2011/12 £825,337 of STTS monies has been awarded to 4 projects in Argyll representing 43% of the total STTS allocation for the year.
- 3.4 STTS funding has also been used to attract additional monies for projects in recent years. For example £650k of STTS monies was matched with £450k from HITRANS and £75k from the Council to enable upgrades to be undertaken on the B836. This development took from 2006 to 2010 to plan and implement.
- 3.5 In February 2010 out of a £500k pot, ATTG secured £110k towards frost damaged roads in Cowal, on the B839, B828, and B8000. In January 2011 the FCS released £600K of winter damage funding and ATTG were awarded £176K for the Council to undertake resurfacing works on the A819 and C38 Kilmichael Glen.
- 3.6 Another source of funding which has been utilised in the past is the Scottish Governments Freight Facilities Grant (FFG). This was used to fund sea transport development in Argyll prior to the Timberlink project. The Scottish Government have made £2m of FFG monies available for projects in 2011/12.
- 3.7 ERDF and SRDP are also funding streams which have been used for timber related projects (e.g. in forest haul route construction and minor public road spend 2003 – 2006 in a combined project totalling £2.4M) in Argyll.

4.0 ATTG Project Officer

- 4.1 The ATTG Project Officer post is jointly funded (£30k pa total) by stakeholder contributions and the STTS. A key role of the ATTG Project

Officer is to liaise with stakeholders regularly, identify potential projects and then support and develop STTS/other grant applications. Given the success of the ATTG in accessing external funding in recent years it is considered essential that funding for the Project Officers post is retained moving forward.

- 4.2 In practice the Argyll Project Officer is very much in liaison with the forest industry and the Council, and can help advise, administer and monitor the implementation of mutually agreed timber traffic management plans to help sustain both the sensitive roads, and the forest industry, where these routes are essential to the industry and the rural community.

For further information and clarification contact Jonathan Welch, Transport Planner, Manse Brae 01546 604329.

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ARGYLL & BUTE COUNCIL**ECONOMY THEMATIC CPP GROUP****DEVELOPMENT & INFRASTRUCTURE****31st August 2011**

Road Equivalent Tariff (RET) Briefing Note for Economy Thematic CPP Group

1. Summary

This report advises of the background to the Scottish Government's RET pilot, the impact to date on those communities involved and the costs of extending the pilot in the future. The Scottish Government have recently published a draft report into the impacts of the RET pilot and the findings of this form the basis of this briefing note.

2. Recommendations

2.1 This report is for noting.

3. Background

3.1 The remote islands of Scotland are some of the most peripheral and fragile communities in Europe as a result of their distance from mainland markets, public services and social and cultural facilities. Ferry services are a vital lifeline to many of these fragile communities however, the Scottish Government recognised that the expense of ferry travel was a further disadvantage to many islanders.

3.2 As a result the RET pilot scheme was introduced in October 2008 in the Western Isles, Coll and Tiree as a means of setting ferry fares based on the cost of travelling an equivalent distance by road. The RET pilot is aimed at reducing the disparities in the cost of travel between island and mainland communities thereby reducing the economic disadvantage suffered by remote island communities.

3.3 The location for the RET Pilot was determined by the Scottish Government based on consideration of economic problems within different island communities, and on the requirement for a self-contained area in which the concept could be monitored.

3.4 The Pilot was initially due to end in spring 2011 however, the Scottish Government have extended this by one year until spring 2012.

3.5 The following ferry services have been effected by the RET Pilot:-

- Ullapool – Stornoway;
- Uig – Tarbert/Lochmaddy;
- Oban – Castlebay/Lochboisdale;
- Oban – Coll/Tiree.

3.6 Passenger fares fell by on average 40% with discounts of over 50% available for commercial vehicles on some services.

4. Impact of RET

- 4.1 Research undertaken as part of the pilot indicates that there was approximately 17% more passenger traffic on RET routes in the first two years of the pilot. In addition, car traffic increased proportionately by almost 50% more than passenger numbers, resulting in difficulties accommodating peak period demand.
- 4.2 An increase in commercial vehicle traffic of 8% over two years on RET routes was recorded however, this has been attributed to changes in business activity on the islands rather than as a direct response to lower fares.
- 4.3 The increased demand for ferry services (in particular motor vehicle traffic) on RET routes, has resulted in difficulties for Island residents and businesses getting on the sailings they require. In certain instances this has resulted in journeys being cancelled, additional costs being incurred and fuel supplies on Coll and Tiree were reported to be unavailable for several days because the fuel tanker could not be accommodated on the ferry.
- 4.4 Approximately 30,000 additional visits a year were made by ferry to the Pilot area predominantly by tourists who say they would have otherwise visited another destination in Scotland had it not been for the reduced fares. This resulted in increased demand for accommodation on islands (confirmed by VisitScotland data) putting additional strain on availability particularly during the traditional peak months of July and August. There was also a 4% increase in turnover of tourist related businesses within the pilot area.
- 4.5 RET has made a positive impact on haulage businesses by lowering ferry costs by an estimated 50% however, this has been offset by other costs such as rising fuel prices. Hauliers have also seen an increase in businesses transporting their own goods instead of contracting haulage, which can be attributed to the ending of multiple-trip discounts which had given a cost advantage to local hauliers making frequent use of the ferries.
- 4.6 There is information available from business surveys suggesting some island firms have expanded into mainland markets and conversely some mainland business have expanded in the RET area. There has also been a marginal improvement in employment levels in the Western Isles over the RET pilot period.
- 4.7 No evidence to suggest RET has had any impact on fuel or house prices.

5. Coll and Tiree

- 5.1 Residents of Coll and Tiree are more dependent on ferry services for access to basic services, including shopping, health and education. Their ferry services are lifeline, with many more trips for what may be considered 'essential' purposes and as a result RET has not resulted in the same increases in ferry travel observed in the Western Isles.
- 5.2 The ferry between Oban and Coll/Tiree has experienced the lowest

level of traffic growth, and the residents report the least increase in the frequency of their trips to the mainland.

- 5.3 There are also different attitudes towards the RET pilot on Coll and Tiree than the other islands in the pilot area. Whilst the majority of residents surveyed thought the lower cost of accessing goods and services on the mainland was a real benefit to the community, 42% of those on Coll and Tiree identified that increased tourism as a result of the pilot could have negative social and environmental impacts on the islands.
- 5.4 In general the residents of Coll and Tiree benefitted from RET through cheaper access to essential goods and services however, this did not result in a substantial increase in trips. Islanders benefitted less from increased economic activity, and reported some negative impacts of increased tourism such as low fuel supplies when the fuel tanker could not be accommodated on fully booked sailings.

6. Cost of Extending RET Pilot

- 6.1 Figures published in a Scottish Government draft report suggest that extending RET across the entire ferry network would result in a loss of fares revenue in the region of £14 million pa assuming that there is sufficient capacity available to carry the additional trips generated. If RET was extended but no additional demand could be accommodated, then the loss of revenue is estimated at £21 million pa.
- 6.2 The Scottish Government Ferries Division have advised that a paper regarding the future of RET is currently with the Minister for Transport for consideration.

For further information contact Moya Ingram, Strategic Transportation Manager, Manse Brae 01546 604190 or Jonathan Welch, Transport Planner, Manse Brae 01546 604329.

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**Argyll and Bute Community Planning
Partnership**

**Management Committee
Date: 24th August 2011**



The Argyll and Bute Renewable Alliance – Progress Report

1. SUMMARY

- 1.1** The Renewable Energy sector has the potential to fundamentally and positively transform the economy and communities of Argyll and Bute. In order to achieve this outcome the Renewable Energy Action Plan (REAP), approved by the CPP 16th June 2010, was developed from a key action in the Argyll and Bute Community Plan 2009-2013, to facilitate a co-ordinated partnership approach to renewable development in Argyll and Bute. One of the key actions identified within the REAP to facilitate this co-ordinated approach, was the establishment of the Argyll and Bute Renewable Alliance (ABRA).
- 1.2** The ABRA terms of reference, drawn up in consultation with Highlands and Islands Enterprise, were presented to the CPP Management Committee 15th December 2010 for endorsement.
- 1.3** Following this, formal invitations were distributed to all proposed members, as stated in the terms of reference. A positive response was received from all partners, and subsequently the inaugural meeting was progressed 18th March 2011, at which it was agreed to hold three meetings per annum. The second meeting was recently held 22nd June, and the final in 2011 is scheduled for 28th October. Progress reports shall be submitted following agreement of the action points from each meeting.

2. RECOMMENDATIONS

- 2.1** The Management Committee note the progress of ABRA to date, including the key topics and issues identified for discussion and the action points arising from these.

3. DETAIL

- 3.1** ABRA brings together key partners including Argyll and Bute Council, Highlands and Islands Enterprise, Scottish Government, Marine Scotland, Scottish Power Renewables, Scottish and Southern Energy, Crown Estate Commission, Scottish Natural Heritage and Skills Development Scotland. The alliance will ensure a strategic overview of renewable development and a greater awareness of all the issues relating to this development, across Argyll and Bute, and Scotland, as well as assist with

implementation of the REAP.

- 3.2** A positive response was expressed by all partners from the inaugural meeting, who strongly supported the terms of reference of the alliance, and agreed that Argyll and Bute had put its 'best foot forward' in this approach.
- 3.3** The inaugural meeting provided partners with an opportunity to highlight their own organisations activities and priorities in respect of renewable development, and the implications of these, as well as view some of the work ongoing, within Argyll and Bute. It also focused discussions on ways in which to maximise the opportunities for everyone involved, not least the communities within Argyll and Bute, and Scotland.
- 3.4** From these initial discussions partners identified a number key themes and cross-cutting issues, which will inform future priorities of the alliance.
- 3.5** The second meeting of the alliance built upon the key themes and issues identified from the inaugural meeting. The key agenda items were transmission, the work of HIE, and port and harbour infrastructure requirements – considering the future needs of the industry to support and develop offshore wind and marine renewable energy projects.
- 3.6** There was active engagement in the discussions that followed, with all partners highlighting potential barriers to the development of this sector, and ways of working more closely together to progress the actions required to address these issues.
- 3.7** Partners concluded there that is a need for more coordinated and joined up discussions, between public and private sectors, in order to; recognise collective requirements and allow alignment of investment plans, create a common understanding of needs and challenges, as well as ensuring decisions are connected at a local and national level, supporting future proofing of respective investment plans, securing synergy and VFM.
- 3.8** A number of positive actions were agreed to assist in achieving this. Partners will now consider the role of ABRA in developing a common position towards key renewable developments and issues, such as transmission and distribution, and port and harbour infrastructure requirements, outlining how ABRA intends to assist coordination of partner planning and investment. Partners will also work together to identify key priorities, which will inform the forthcoming review of the REAP, in order to produce a plan which is focused and based on collective outcomes.
- 3.9** Progress with these actions will be reviewed at the next meeting of the alliance, 28th October 2011, where the topics for discussion will be communications, socio-economic benefit, skills and coordinating

decisions for future port and harbour infrastructure requirements.

4. CONCLUSION

- 4.1** A positive response has been received by all partners from the meetings of ABRA to date. Partners have agreed that there is a need to ensure the alliance is outcome driven.
- 4.2** The actions arising will see partners work more closely to secure alignment of partner plans, objectives and future investment, in order to develop a clear understanding not only of the barriers to the delivery of our vision as outlined in the REAP, but also the best options for working in partnership to overcome these barriers at a strategic level.
- 4.3** The next ABRA progress report will be submitted to the CPP Management Committee 14th December 2011, following agreement of the action points arising from the meeting of the alliance 28th October 2011.

For further information contact: Audrey Martin
Development Projects and Renewables
Manager

Telephone: 01546 604180

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ECONOMY THEMATIC CPP GROUP WORK PROGRAMME

	2011 23 February Repopulating Argyll and Bute	2011 25 May Youth Employment	2011 31 August Transportation	2011 29 November Housing and Planning
RET			X Report on outcome of evaluation of RET.	
Review of Economy Community Plan Actions/ Partner Updates	X Noted. Agreed to SDS giving presentation on Youth Destinations.	X Noted. ABSN to liaise with Isabel Bremner on measures to be included on Scorecard. HIE arranging to put their targets for 2011/12 on Scorecard also.	X	X
Performance Management	X Noted revisions being made to Scorecard.	X Noted. Agreed that further request to be made to Partners to include measurers. Scorecard will be finalised at August meeting.	X	X
Future Work Programme	X Noted and agreed.	X Noted and agreed August theme to be Transportation and November theme to be Planning and Housing. Presentation from HITRANS (provisional) for Aug meeting.	X	X
Business Improvement Districts	X Presentation Noted.			
Agriculture Funding/SRDP	X Presentation. Officer unable to attend agreed that this presentation be given at May meeting.	X Presentation. Officer did not attend agreed to invite to August meeting.	X Presentation	

Updated August 2011

ECONOMY THEMATIC CPP GROUP WORK PROGRAMME

	2011 23 February Repopulating Argyll and Bute	2011 25 May Youth Employment	2011 31 August Transportation	2011 29 November Housing and Planning
Strategic Timber Transport Funding			x	
Public Sector Budget Cuts and the impact on the Argyll and Bute Economy	Noted.			
Highlight and Exception Reports	X Noted reports from Strategic Housing and Communities Forum and from Argyll and Isles LEADER Local Action Group	X Noted and agreed as Housing having an impact on economy and construction that the theme for November should be Housing and Planning.	X	X
Local Employability Partnership Group/Get Ready for Work and Training for Work	X Noted and agreed that progress report be brought to May meeting re SDS Get Ready for Work and Training for Work contract.	X Progress report. Noted.	X	
Community Planning Audit 2011	X Noted.			
Support to Redundant Council Employees	X Noted.			

ECONOMY THEMATIC CPP GROUP WORK PROGRAMME

	2011 23 February Repopulating Argyll and Bute	2011 25 May Youth Employment	2011 31 August Transportation	2011 29 November Housing and Planning
Youth Destinations/Modern Apprenticeships		X Presentation by SDS. Noted. Agreed that full survey report on Leaver Destinations should be circulated to Group by SDS along with copy of results of follow up survey due for publication in June. Noted contents of SDS SLA with ABC and SDS work plan for 2011/12. Noted that SDS would provide for next meeting completion and drop out rates in respect of Apprenticeships. Agreed would be useful to track on Pyramid on a monthly basis take up of Modern Apprenticeships and track School Leaver Destinations measures annually.	X Report on completion and drop out rates in respect of Apprenticeships.	
Info to be included on CPP Web Pages		X Continued to next meeting.	X	
HITRANS Presentation			X	
ABRA			X Progress Report	
SOA			X	

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