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ARGYLL & BUTE ECONOMIC STRATEGY 2019 - 2023



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CREATING A
NEW
AMBITIOUS
ARGYLL AND BUTE
ECONOMIC
STRATEGY



INTRODUCTION

A prosperous and inclusive economy lies at the heart of council priorities and this is reflected in the **Argyll and Bute Outcome Improvement Plan 2013 – 2023** that has been agreed with the Scottish Government. Despite significant political and economic uncertainties during this time the Economic Development Action Plan's have helped deliver a series of positive outcomes that have helped transform Argyll communities, created new, employment opportunities in the private and third sectors, made improvements to critical economic infrastructure and delivered sustainable economic growth with a focus on our key business sectors with the greatest potential to create employment opportunity.

That said, a number of key and fundamental challenges still remain for our economy in terms of our infrastructure needs, addressing our demographic challenges, low productivity, addressing levels of underemployment and lower wages than the national average, particularly for females.

With new opportunities and challenges now clearly presenting themselves through a number of economic drivers such as the urgent need for business innovation and investment, increased mobility in the workforce, a rising living wage, rapidly changing digital technology and new public sector interventions such as the emerging Rural Growth Deal there is now a compelling need for a new Argyll and Bute Economic Strategy that focusses on our key priorities, takes account of the resources we have available as a council including working with our strategic partners.



ARGYLL AND BUTE'S ECONOMIC SUCCESS IS BASED ON A **GROWING** POPULATION

The Argyll and Bute Economic Strategy is a key document that aims to help deliver the overarching vision of the **Argyll and Bute Outcome Improvement Plan 2013 – 2023** that has been agreed with the Scottish Government.

These Key Priorities for the strategy and associated action plan provide the foundation for the future implementation of the Argyll and Bute Rural Growth Deal together with a focus on delivery of three main themes:



**CRITICAL
ECONOMIC
INFRASTRUCTURE:**
CONNECTING TO
NATIONAL &
INTERNATIONAL
MARKETS



PLACE & PEOPLE:
ATTRACTING SKILLS,
RESIDENTS, VISITORS
AND
BUSINESSES



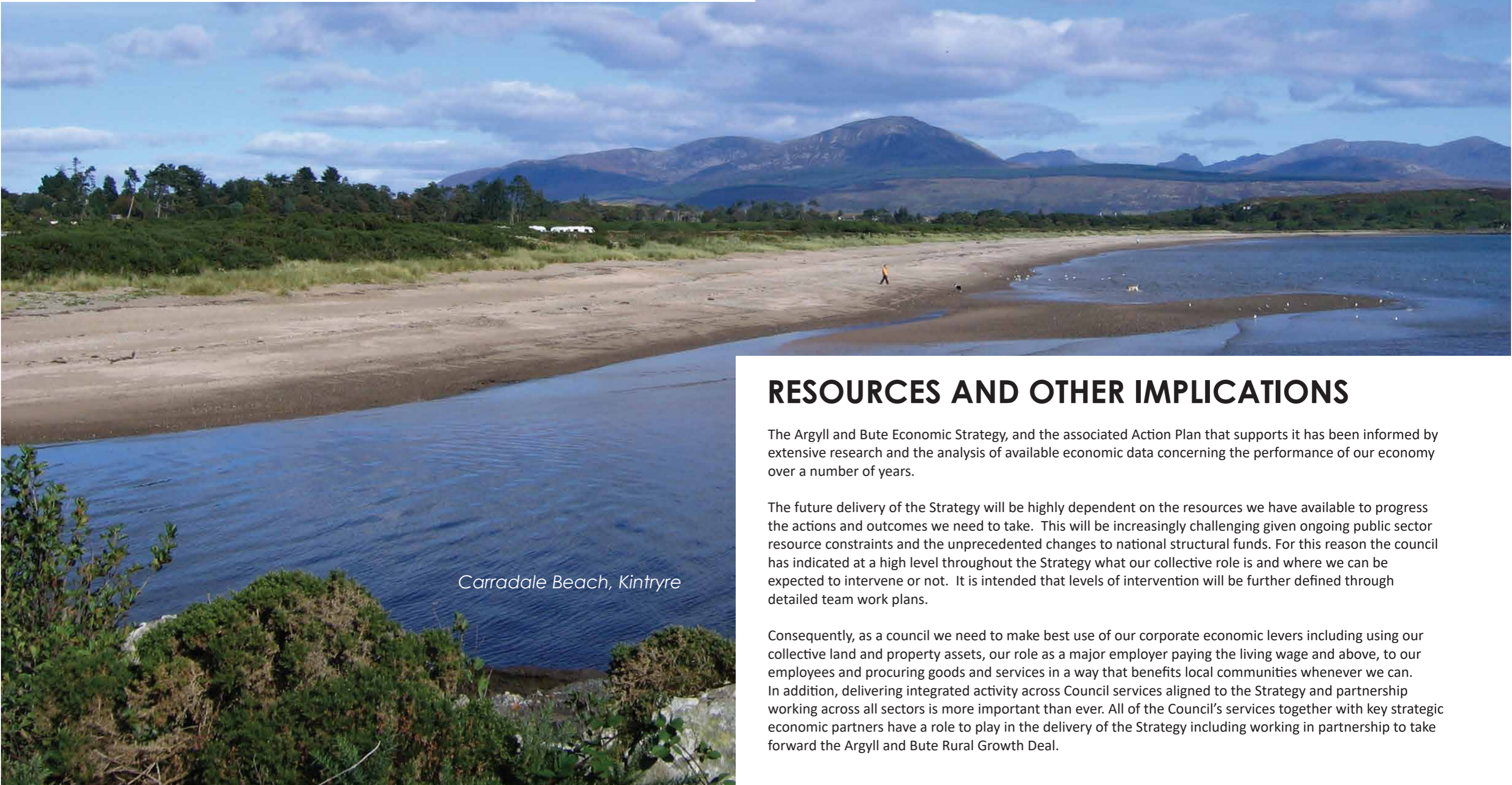
SMART GROWTH:
GROWING -
DOING MORE
THAT WORKS

LEADERSHIP AND PROMOTION

Argyll and Bute's offer to the world has continued to be developed and promoted to potential new residents, visitors and investors. Inward investment has been attracted to the region due the high quality of life we can offer, the benefits of our scenic, coastal location with much of the area in close proximity to Scotland's central belt, our stunning built heritage and our increasingly diverse rural economy with a growing reputation for innovation.

The Rural Growth Deal submitted to both the UK and Scottish Governments also highlighted future economic opportunities in our region and the council is now encouraging new residents to come to Argyll and Bute through the #abplace2b, choose Argyll and choose Bute initiatives.

#ABPLACE2B



Carradale Beach, Kintryre

RESOURCES AND OTHER IMPLICATIONS

The Argyll and Bute Economic Strategy, and the associated Action Plan that supports it has been informed by extensive research and the analysis of available economic data concerning the performance of our economy over a number of years.

The future delivery of the Strategy will be highly dependent on the resources we have available to progress the actions and outcomes we need to take. This will be increasingly challenging given ongoing public sector resource constraints and the unprecedented changes to national structural funds. For this reason the council has indicated at a high level throughout the Strategy what our collective role is and where we can be expected to intervene or not. It is intended that levels of intervention will be further defined through detailed team work plans.

Consequently, as a council we need to make best use of our corporate economic levers including using our collective land and property assets, our role as a major employer paying the living wage and above, to our employees and procuring goods and services in a way that benefits local communities whenever we can. In addition, delivering integrated activity across Council services aligned to the Strategy and partnership working across all sectors is more important than ever. All of the Council's services together with key strategic economic partners have a role to play in the delivery of the Strategy including working in partnership to take forward the Argyll and Bute Rural Growth Deal.

CRITICAL ECONOMIC INFRASTRUCTURE: CONNECTING – TO NATIONAL AND INTERNATIONAL MARKETS

The Council will therefore continue to work with the Scottish Government and our national and regional transport partners to influence where future investment is prioritised in order to facilitate improvements to our transport infrastructure that best addresses the above issues.

Our role here is to influence, inform and lobby Government, national and regional and transport agencies for improved transport connectivity throughout, and to and from, Argyll and Bute.

Campbeltown - Image courtesy of Raymond Hosie



ROUTES TO MARKET

KEY ISSUES

Creating reliable, resilient and secure routes to market is a top priority for the business community. The principle way to do this is through our transport network.

Improving our **TRANSPORT CONNECTIVITY** is a top priority for our council and critically important for the future of Argyll and Bute in terms of quality of life as a place to live, to learn, to visit and to do business. Key benefits of increased investment in our transport corridors and services that make use of them include:-

IMPROVED
CONNECTIVITY
FOR OUR
RESIDENTS/
VISITORS

IMPROVED
RELIABILITY AND
ACCESS FOR
GOODS/SERVICES
EG. WHISKY/
AQUACULTURE
PRODUCTS

IMPROVED
SAFETY AND
RESILIENCE ON
OUR STRATEGIC
ROUTES

IMPROVED
RELIABILITY AND
ACCESS FOR
EMPLOYMENT

WORKING
WITH OUR
PARTNERS
TO INFLUENCE
AND DELIVER
IMPROVED
STRATEGIC
AND LOCAL
TRANSPORT LINKS



CRITICAL ECONOMIC INFRASTRUCTURE: CONNECTING – TO NATIONAL AND INTERNATIONAL MARKETS



Tobermory, Isle of Mull

INFLUENCING THE DELIVERY OF A FIT FOR PURPOSE ENERGY NETWORK

Our energy supply and the grid that distributes it needs to be fit for purpose to enable better internal management in an effort to improve resilience and enable the ability to reduce our carbon footprint plus the ability to export clean energy to other parts of the UK.

Our role here is to influence the energy industry including the national grid for the need for further investment in our energy system.

IMPROVING OUR PUBLIC TRANSPORT SERVICES TO MEET THE NEEDS OF A MODERN RURAL ECONOMY

Delivering public transport in Argyll and Bute is challenging given our low population densities and geography with long distances between settlements. While some of our communities have the advantage of good rail links such as Helensburgh and to a lesser extent Oban and parts of Lorn most people have to rely on the bus in terms of public transport. With public subsidies reducing there is a need to seek innovative solutions to secure a public transport system that can meet the needs of a modern rural economy.

Our island communities and some of our peninsula communities also have to rely on the availability of ferries and air services. Ensuring that all of these services are fully integrated will help their future sustainability and allow people to reduce their reliance on private transport which can be unaffordable for many people.

Our role here is to lobby for and facilitate improvements to the public and active travel network, improve integration of services and examine how new technology can improve our public transport system for the benefit of the local economy.



Image courtesy of Calmac

BETTER CONNECTED

KEY ISSUES

INFLUENCING THE DELIVERY OF A HIGH QUALITY AND MODERN DIGITAL NETWORK

Having access to modern, fit for purpose and affordable, **DIGITAL INFRASTRUCTURE** is now essential for most people to choose to live in a place and support a prosperous and inclusive economy. The Council will continue to influence and coordinate work with our key stakeholders such as the UK and Scottish Governments, BT, Highlands and Islands Enterprise and Digital Scotland to deliver the roll out of National digital programmes for broadband and mobile connectivity. In addition, the Council will be seeking to significantly expand the provision of fibre to fibre technology through investment secured via bids to Government funding and the Rural Growth Deal with a focus on strategic business sites, the delivery of telecare and medi-care health services, town centres and educational premises.

Our role here is to influence, inform and lobby the UK and Scottish Governments and their national agencies for fit for purpose, modern digital connectivity throughout Argyll and Bute.

PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

STRONGER PLACES

KEY ISSUES

CREATING INVESTOR READY PLACES THROUGH TRANSFORMATIONAL CHANGE TO OUR OUTSTANDING BUILT ENVIRONMENT

The council has taken forward an ambitious capital regeneration programme over the last decade which has helped to stimulate further public and private sector investment. Projects ranged from the provision of new schools, bringing buildings back into productive use and upgrading public realm. These council investments have attracted a substantial level of external funding that has helped transform a number of our town centres securing residents homes for the future, restoring civic pride, bringing redundant property back into productive use and enabling new businesses to open. As this first phase of investment comes to an end a number of other area regeneration projects continue such as Rothesay Townscape Heritage Project, Campbeltown's second Conservation Area Regeneration Scheme and Dunoon's first adding to the success of previous area regeneration schemes.

A number of additional capital projects are now at various stages of implementation with the likes of the regeneration of Helensburgh's Hermitage Park, the roll out of the Tarbert and Lochgilphead Regeneration Initiative and the Helensburgh Waterfront project. It is intended to continue to undertake transformational, capital regeneration schemes in Argyll and Bute which can include assisting local communities in accessing sources of funding. However, given our limited capital resources this ambition will be highly dependent on the availability of future match funding and also securing additional, external funding through the likes of future CARS schemes, Heritage Lottery Fund and the Rural Growth Deal.

Our role here will be to attract external funding to continue our programme of area regeneration and capital projects that address strategic priorities of the council and our strategic partners.



PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

KEY ISSUES

ASSISTING LOCAL COMMUNITIES TO HELP THEMSELVES

The council has also continued to work with a number of our communities to help them address key issues where they live including growing their economic activity and social resilience. The focus of our work is achieving transformational change in our communities and this has been done through the development of charrettes or “making places” initiatives to inform future investment opportunities. We continue to work in retaining and developing Business Improvement District groups in Argyll and Bute and also supporting the activities of community economic alliances with assistance from the Lottery, Highlands and Islands Enterprise and SURF (Scotland’s Regeneration Forum).

With 17% of our population resident on our 23 inhabited islands and the recent enactment of the Islands Bill there is a need to ensure that the needs of our island communities are being met. With the introduction of the Islands Act there will be a need to inform the delivery of the National Islands Plan and work with a number of partners to secure sufficient resources that deliver a prosperous future for our island communities.

Argyll and Bute has a strong record in supporting communities to secure land and property to sustain a valued community service, grow local populations and take forward economic activity. A key example of this is the purchase of the former Machrihanish MOD airbase by the Machrihanish Airbase Community Company (MACC). The Council aims to continue to facilitate community ownership where it can be demonstrated that this will bring clear economic and social benefits to a local community.

Our role here is to inform and facilitate this process including community asset transfer and by doing so helping to secure a sustainable economic future for all our local communities.

STRONGER PLACES



PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

STRONGER PLACES

KEY ISSUES

CREATING A VIBRANT CULTURAL EXPERIENCE AND STRONG CREATIVE INDUSTRY

In Argyll and Bute we have a strong cultural identity, rich in the Gaelic language, archaeology, architecture, music and the visual arts. This has helped to create a strong sense of place that helps retain and attract people to live in our community and encourage others to visit, often participating in our numerous events and festivals. Specific actions to support Gaelic culture and language are being taken forward in the Council's Gaelic language plan.

With limited resources available the Council, working with our partners, has supported the improvement of key cultural hubs such as the Campbeltown Cinema restoration, the refurbishment of the Pavilion on Rothesay and expansion of Kilmartin Museum. The Council has also initiated the Culture, Heritage and Arts Assembly (CHArts) which is a network of creative people and organisations who live and work in Argyll and Bute. Working in partnership with Creative Scotland and Argyll and Bute creative business representatives CHARTS aims to deliver a sustainable future for this important business sector that has real growth potential in Argyll and Bute and will also support the growth of other business sectors such as tourism and food and drink.

Argyll and Bute is becoming increasingly popular as a place to undertake film and TV work often with a national and international profile. This filming has a number of benefits for our economy both during the actual on-site production in terms of local spend and longer term benefits including highlighting people who live in our area to drawing attention to our outstanding natural and built environment. The Council has established a dedicated web site promoting Argyll and Bute as a place to film with details of the hundreds of potential filming locations we can offer.

Our role here is to support the future sustainability of the Argyll and Bute creative industries.



PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

STRONGER PLACES

KEY ISSUES

THE PROVISION OF KEY WORKER HOUSING TO SUPPORT ECONOMIC GROWTH

A key barrier to growing our population and delivering sustainable, economic growth is the provision of affordable housing in the places people want to live and work. Argyll and Bute has a strong track record in the delivery of social rented housing with a substantial programme of new projects identified for the next five years delivered through our housing partners including the Scottish Government and partly funded through our own Strategic Housing Fund. The focus of Strategy in this area is delivering additional housing choice, particularly for key workers working in our main business sectors, to facilitate sustainable economic growth and it is intended to take this forward through a range of partners and funded primarily through the emerging Rural Growth Deal.

Our specific role here through the strategy is to ensure that housing will support economic growth in our region by being available for key workers in the right place and of the right type.



PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

SKILLS FOR WORK

KEY ISSUES

ENSURING THERE ARE JOB OPPORTUNITIES FOR ALL

Local people are Argyll and Bute's most important asset in driving forward the local economy. Our region has however a relatively low wage economy with a limited number of higher-value jobs particularly amongst females. Critical skill gaps in business sectors with real growth potential and also in the public sector have also been clearly identified.

Consequently, there is a need to better support the skill needs of local people to meet the changing demands of our economy by bringing additional, learning opportunities to our area and improving linkages between skill providers and employers both in the private and public sectors.

Improving local people's skills is also a key component of attracting higher value jobs to a rural economy such as we have in Argyll and Bute. The availability of workplace skills linked to our priority business sectors can also be a key enabler of economic growth and access to talent will have a major bearing on the success of our region in the short, medium and longer terms. Given the rapid changes in our economy together with a number of key skill gaps identified in both the public and private sectors skill providers need to bring forward a common approach to address these including future challenges such as automation.



Given our high level of self-employment (12%) there is a compelling need to equip people with the right skills to grow their business and add value to the products and services they offer. Working with our partners we will take forward an integrated skills strategy that will look to focus on the following:

- Employability – helping residents with multiple barriers return to work;
- Promote ambition – Raising the awareness of young people of further and higher education opportunities;
- Promote entrepreneurship – social enterprise/self-employment options;
- Address key skill gaps in key growth sectors including STEM;
- Promote apprenticeships – within new and existing businesses;
- Promote adult skills development - including basic skills and digital;

Argyll and Bute enjoys a relatively low claimant rate throughout most of our area albeit subject to seasonal variation. Whilst we will continue to work to lower this rate we are also aware of local people with multiple barriers to employment that need pro-active assistance. The Employability Team that is funded on a commercial basis delivers Government contracts such as Fair Start Scotland, the Employability Fund, Work Able and Scotland's Recruitment Initiative. Inclusion therefore lies at the heart of this team's efforts and assists the council's priority to be a mental health champion and bring back people into sustainable employment.

Our role here is to help people with multiple barriers gain sustainable employment.

PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES



KEY ISSUES

IMPROVING SKILL PROVIDERS LINKS TO LOCAL EMPLOYERS

Recent studies have identified skill shortages in our growing business sectors that are holding back economic growth. Examples in the private sector include a lack of qualified chefs, people with digital skills, engineers and technicians. If these skills gaps are not quickly addressed there is a risk that businesses will be forced to curtail their expansion plans or simply move out of our region. There are also skill gaps in our public services such as doctors, dentists, teachers and care workers that has the potential to undermine the key public services that people expect to have access to. A top priority therefore is to address this skills gap by linking skill providers to local employers, by improving educational choice in our region and raising awareness of existing and new career opportunities in Argyll and Bute.

Our role here is to work with skill providers to make links to local industry and work with partners to create greater educational choice in our region.

PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES



KEY ISSUES

ENSURING SCHOOL STUDENTS HAVE THE RIGHT SKILLS FOR THE FUTURE
LOCAL ECONOMY

Modern workplaces are always evolving as they face ever changing global challenges and new economic opportunities. Businesses are looking for students that generate trust, forge leadership and create productive results. Digital skills are in high demand, literacy, science and numeracy skills, being creative and having an ability to clearly communicate with colleagues and customers. Our challenge is to equip our young people with these skills, raise awareness of available career opportunities within Argyll and Bute and bring them into contact with local businesses.

Our role here is to support and build on the activities of Developing the Young Workforce (DYW).

PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES

SKILLS FOR WORK

KEY ISSUES

CREATE A CULTURE OF ENTREPRENEURSHIP

The growth of small businesses is a key step in tackling our low wage economy. In Argyll and Bute we enjoy a higher than average self-employment rate at 12% with the majority of our businesses are at a micro or small scale and often family owned. Many of these businesses provide outstanding services and products to the market place however too many local businesses either lack ambition to grow or do not have the right skills in place to do this. A key focus of the Strategy going forward will be to address this issue.

Our role here is to support the growth of ambitious local SMEs that can offer additional, and preferably higher value, employment opportunities.



PLACE AND PEOPLE: ATTRACTING – SKILLS, RESIDENTS, VISITORS AND BUSINESSES



KEY ISSUES

EXPANDING OUR LOCAL FURTHER AND HIGHER EDUCATION OFFER

Argyll College UHI and the University of the Highlands and the Islands (UHI) provides the vast majority of Argyll and Bute's local further and higher education offer at this current time. Argyll College operates from 15 centres ranging from Tobermory in the north to Campbeltown in the south, Tiree in the west and Helensburgh in the east. The numbers of students attending these centres and the Scottish Association of Marine Sciences (SAMS) at Oban has risen steadily in recent years but an opportunity now exists to extend the education offer and attract people to study in Argyll from outside our region. The key places where this can be achieved is expanding the academic offer at SAMS as part of the Oban a University Town project; the creation of an aquaculture excellence hub at MACC with involvement of Stirling University and in Helensburgh linked to the expansion of HMNB Clyde and involving Strathclyde University.

Expanding our local Higher education offer also has the advantage of attracting new businesses to our area to take advantage of graduating students, academic research and enable greater collaborative working to accelerate business growth as businesses cluster together.

Our role here is to work across council services together with academic partners and the private sector to increase new opportunities for learning in Argyll and Bute.



SMART GROWTH

GROWING - DOING MORE THAT WORKS

SUPPORTING OUR PRIORITY SECTORS

If we are to make a transformational step change in our economy we need to focus our support in sectors with the greatest growth potential with a track record of recent private sector investment in our region. In Argyll and Bute our compelling business sectors include tourism, food and drink including aquaculture and whisky, Creative Industries including film and TV production, renewables, forestry, marine science and engineering including defence industries. These sectors all feature in our emerging Rural Growth Deal (RGD) and would also best benefit from addressing the RGD's key themes.

KEY ISSUES

CREATING A WORLD CLASS TOURISM DESTINATION

The growth of **TOURISM** has been a major success in recent years in Argyll and Bute supported by our Economic Growth Team and key partners such as the Argyll and the Isles Tourism Cooperative (AITC). This key sector provides circa 25% of all private sector jobs in Argyll and Bute and since 2008 there has been a 33% increase in visitor numbers with tourism worth £479.6m in 2017 to our economy. Given our outstanding natural and built environment Argyll and Bute will always have a lot to offer tourists visiting our area. That said, this is a global industry that is constantly investing in its visitor experience and if we are to remain competitive over the medium and longer terms the council and our partners will have to continue to support the growth of this important sector.

Industry led and supported by the council and HIE areas of focus include the improvement of our accommodation offer particularly in our main towns, targeted promotion and marketing activity utilising digital platforms, working in collaboration with the likes of Glasgow Tourism Agencies and boosting our adventure, food and drink, and marine tourism offers.

Our role here is to support industry partners to establish Argyll and Bute as a world class tourism destination.



Campbeltown Harbour, image courtesy of Raymond Hosie

SMART GROWTH GROWING - DOING MORE THAT WORKS

SUPPORTING OUR PRIORITY SECTORS

KEY ISSUES

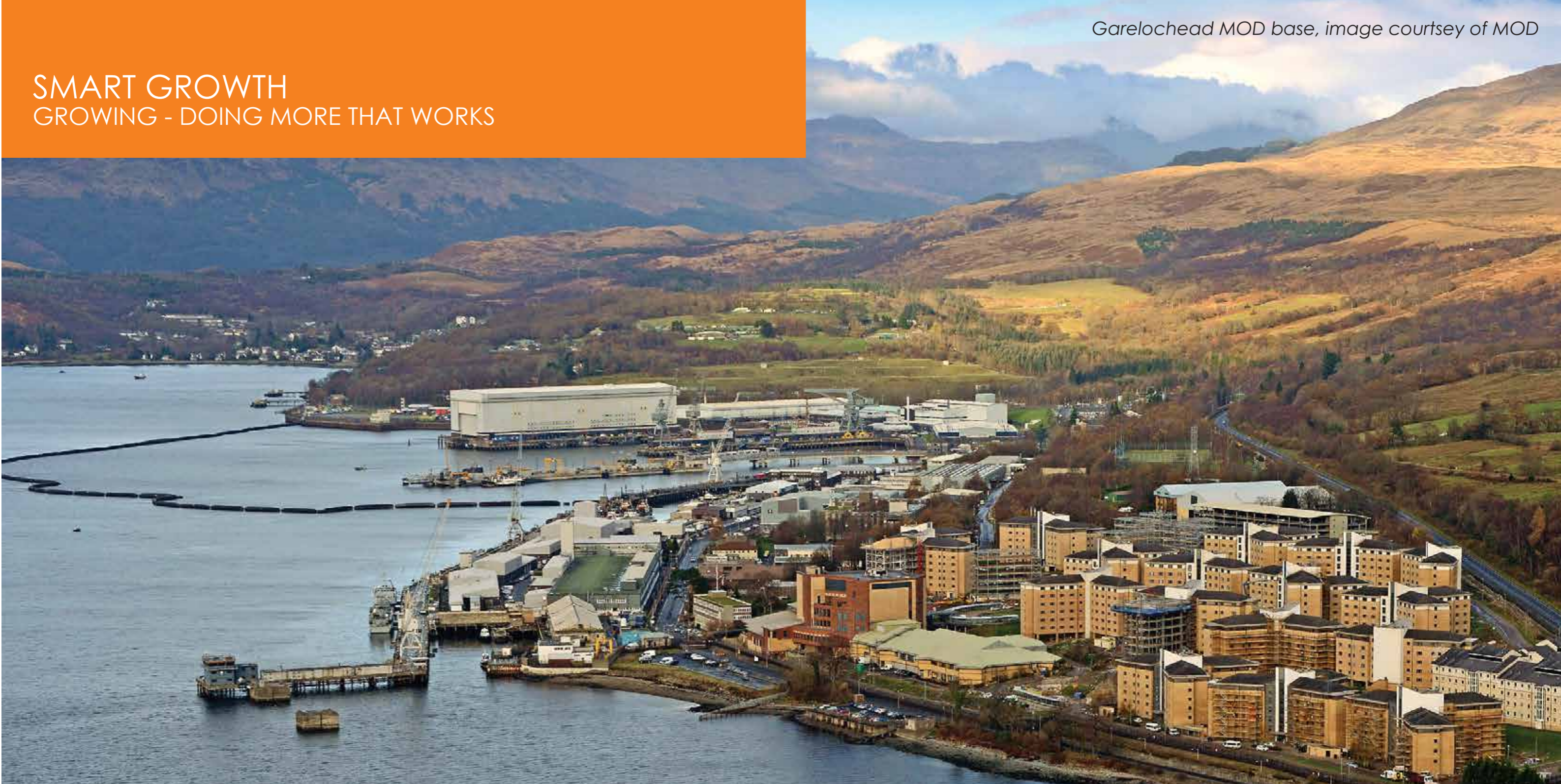
ADDING VALUE TO, DIVERSIFYING AND GROWING OUR FOOD AND DRINK INDUSTRY

Often a key ingredient of our Tourism offer, but not exclusively so, is our growing food and drink sector. Argyll and Bute produces first class products from our agriculture and fishing sectors, aquaculture, whisky, craft beers and Gin. The Council will continue to facilitate the growth of this sector which have export potential and can provide higher value jobs throughout Argyll and Bute including some of our remoter island and peninsula communities.

A key challenge for both tourism and the food and drink sectors will be to also ensure we have sufficient people with the right skills to work in this industry particularly following the UK decision to leave the EU.



SMART GROWTH GROWING - DOING MORE THAT WORKS



KEY ISSUES

EXPANDING OUR ENGINEERING, RENEWABLES, DEFENCE & MARINE INDUSTRIES

Argyll and Bute has a strong tradition in engineering activity from boat building, aquaculture, energy and defence works. There is real potential for further expansion linked to our marine industries including areas that can offer innovation and working with academic partners such as SAMs or Stirling University to create business clusters that can help generate higher value jobs and investment opportunities. The Maritime Change Programme also represents a significant expansion of the activities of HMNB Clyde with £1.3B capital investment up until 2030. This expansion linked to new training opportunities with the base and with potential to expand in the wider community offers a hugely significant opportunity to both grow our population and create a full range of new job opportunities including in highly technical areas

Our role here is to support the growth of our priority sectors including tourism, food and drink, engineering, renewables, defence and marine industries.

SMART GROWTH

GROWING - DOING MORE THAT WORKS



KEY ISSUES

LOOK TO INFORM AND INFLUENCE SCOTTISH GOVERNMENT'S ECONOMIC POLICY AND UK INDUSTRIAL STRATEGY

Argyll and Bute's population continues to decline in common with a number of Scotland's west coast Local authorities.

A key priority of the council is to reverse this long term trend and having a growing economy is fundamental if we are to attract and retain people to our region. The council, often working with our key partners, has taken forward a number of initiatives to invest in our community including new schools, building hundreds of new affordable homes, supporting the growth of businesses, attracting significant external capital funding to improve our critical infrastructure, improving peoples' skills for work, investing in our roads, supporting a host of community regeneration projects, providing grants to help people to move to Argyll and Bute and improving our built environment through area regeneration initiatives.

The council understands that this investment is not sufficient on its own to address our demographic challenge hence the compelling need convince the Scottish and UK Governments of the strategic importance of the rural economy and mainstream it within policy and decision making processes.

There is also a need to secure a Rural Growth Deal for Argyll and Bute, to attract additional private sector investment and also to influence national decision makers on future policy and investment decisions that affect our region.

Our role here is to secure a Rural Growth Deal for Argyll and Bute working with council services, our strategic partners across all sectors and to also inform and influence future Government economic policy and investment decisions.

SMART GROWTH GROWING - DOING MORE THAT WORKS

Portavadie Marina, image courtesy of Portavadie

IMPROVING INNOVATION AND PRODUCTIVITY

KEY ISSUES

DEVELOPING BUSINESS ACCELERATORS AND CLUSTERS OF GROWTH AND INNOVATION

To remain competitive in the global economy Argyll and Bute businesses need to play to their main strengths and continue to add value to the services they offer and their products through innovation, often involving academic collaboration. In Argyll and Bute our areas with greatest potential lie with aquaculture, marine science, creative industries, food and drink products and engineering associated with the defence industries. Consequently, we are looking to develop a number of business clusters that can accelerate growth through mutual cooperation, creating higher value jobs requiring greater skill sets and add to our key economic outputs.

Our role here is to attract sufficient private and public investment to establish a number of business clusters with the ability to accelerate growth in higher value jobs.



SMART GROWTH

GROWING - DOING MORE THAT WORKS



SUPPORTING OUR PRIORITY SECTORS

KEY ISSUES

SUPPORTING THE GROWTH AND SURVIVAL RATE OF AMBITIOUS LOCAL BUSINESSES

Supporting the start-up rate, survival and growth of our local businesses remains a priority for the Council involving a number of small teams to provide dedicated business support and practical advice. Business Gateway is the council's dedicated small business support group looking to help grow local businesses with high growth potential through the pipeline and on to HIE for additional support.

The council's Economic Growth Team provides key economic intelligence and evidence to support economic projects and investments in order to attract businesses and jobs that can flourish in our region. A key aspect of their work is to also take advantage of new economic opportunities as they present themselves such as the emergence of the seaweed industry on the west coast and provide data to assist the growth of ambitious, individual companies such as Bute Islands Foods. Up to date economic profiles of our region can also help inform companies looking to take forward investment decisions in our region.

Our role here is to provide tailored, flexible and appropriate support to enable our wealth of small businesses to flourish.

SMART GROWTH

GROWING - DOING MORE THAT WORKS

KEY ISSUES

DEVELOPING AND CAPITALISING ON OUR LOW CARBON ECONOMY (GENERATING LOCALLY, USING LOCALLY, GENERATING LOCAL INCOME)

Supporting the start-up rate, survival and growth of our local businesses remains a priority for the Argyll and Bute produces over 1 GW of clean energy including on shore wind, solar, hydro and mini-hydro. This energy largely feeds into the national grid with limited benefits to the local area save for the local distribution of community benefits. The local grid is currently constrained and there is a need to modernise it to enable greater flexibility in how it is used to address local energy issues such as fuel poverty.

We will continue to work with our partners through the Argyll and Bute Renewables Alliance (ABRA) with a focus on tackling strategic issues that currently limit our potential to generate, distribute, allow local people to take up employment opportunities and makes best use of clean energy in our communities. This work will be informed by our Renewable Energy Action Plan (REAP) that will be kept up to date together with offering on-line advice to local communities in receipt of income from renewable energy generators and others who want to take advantage of renewable energy in the future.

Our Forestry sector continues to be important to Argyll and Bute given it covers up to 30% of our land surface and supports in excess of 1,000 jobs. The Argyll forest offers a great leisure resource and produces a certified sustainable product with tonnage extraction is expected to continue to rise over the next 20 years. The challenges facing this industry relates to adding value to the product within Argyll and Bute and having enough people with sufficient skills to facilitate this sector's continued growth.

Our role here is to inform, influence and lobby for additional investment in our grid and facilitate innovation in the use of renewable energy.

SMART GROWTH GROWING - DOING MORE THAT WORKS

Oban Airport, Connel - image courtesy of Richard Elliot

IMPROVING INNOVATION
AND PRODUCTIVITY

KEY ISSUES

ENSURING A READY SUPPLY OF DEVELOPABLE LAND AND CREATING
NEW AFFORDABLE EMPLOYMENT SPACE

If businesses are to grow and new houses are to be built there needs to be a plentiful supply of deliverable development land in the places where people want to invest and live. In Argyll and Bute we do have a plentiful supply of land available but in many cases it is too costly to provide the necessary infrastructure to allow development to take place. A number of areas also have a shortage of suitable and affordable business premises at the right price and location to enable businesses to grow.

Our role here is to raise the profile of our area as a place to invest and ensure through the Local Development Plan process that appropriate employment space is available.



CROSS CUTTING STRATEGIC THEMES

Isle of Tiree

ACHIEVING INCLUSIVE GROWTH

Achieving inclusive economic growth is a key priority of the council and our partners. To inform this draft Strategy we have applied an inclusion diagnostic tool to identify our areas of greatest need and inform our priority actions. A key finding of this work was the need to create an environment that allows businesses to grow and diversify in order to create higher value local employment opportunities. This will enable as many people as possible to benefit from sustainable economic growth provided we also look to equip people across all age groups with the rights skills to take full advantage of the jobs on offer both now and in the future.

Another key aspect will be the delivery of a Regional Skills Strategy that takes account of our specific, inherent business strengths, identified skills gaps and planned investments.

Argyll and Bute Council, as a corporate body, can play a key role in driving forward our local economy as one of the region's largest employers, as an employer that pays the living wage or above, the land and property we own and through the services, products and capital projects we procure. These aspects of economic development will be taken forward through a number of council corporate strategies on procurement, asset management and human resources.

MAXIMISING EXTERNAL FUNDING OPPORTUNITIES

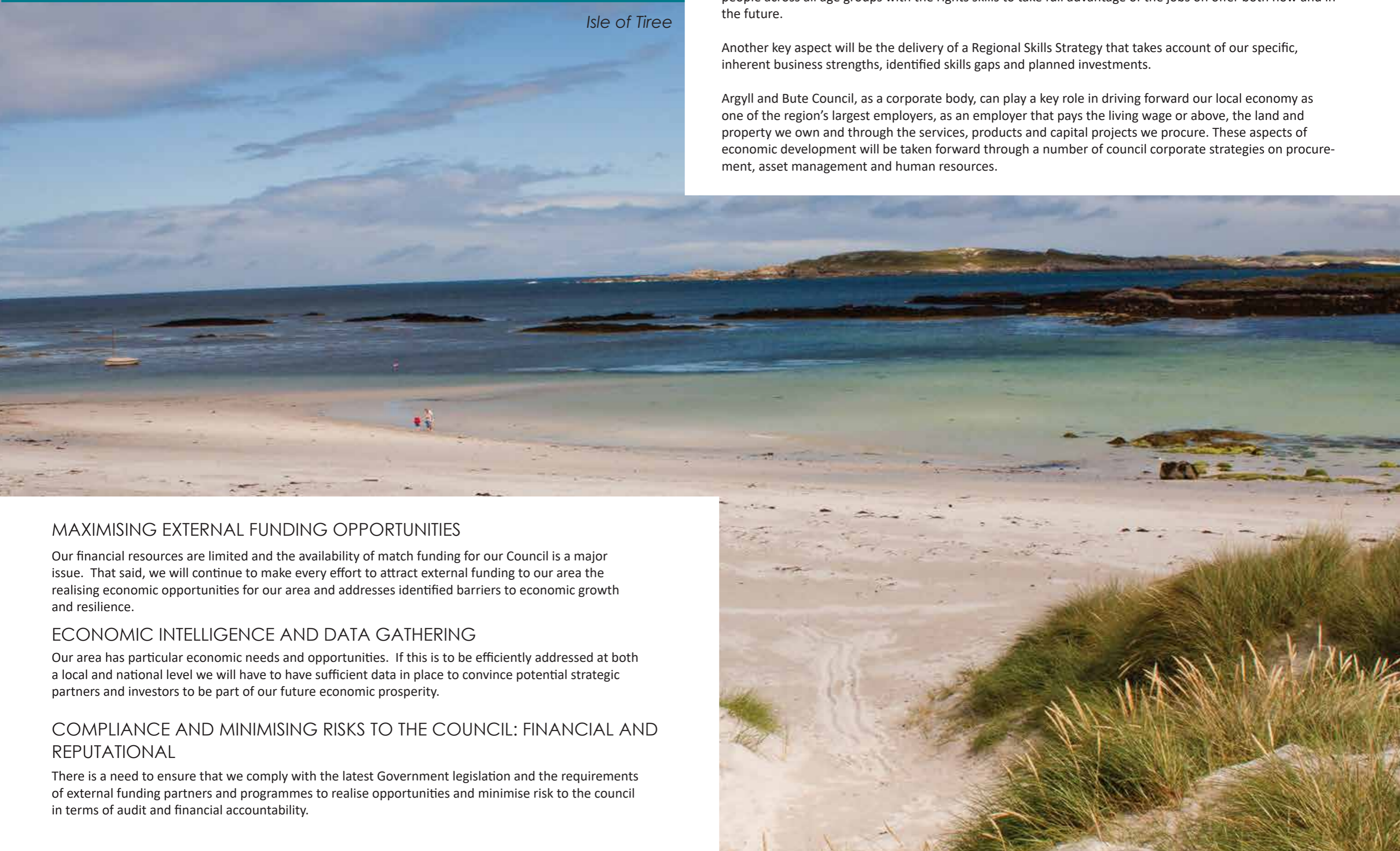
Our financial resources are limited and the availability of match funding for our Council is a major issue. That said, we will continue to make every effort to attract external funding to our area the realising economic opportunities for our area and addresses identified barriers to economic growth and resilience.

ECONOMIC INTELLIGENCE AND DATA GATHERING

Our area has particular economic needs and opportunities. If this is to be efficiently addressed at both a local and national level we will have to have sufficient data in place to convince potential strategic partners and investors to be part of our future economic prosperity.

COMPLIANCE AND MINIMISING RISKS TO THE COUNCIL: FINANCIAL AND REPUTATIONAL

There is a need to ensure that we comply with the latest Government legislation and the requirements of external funding partners and programmes to realise opportunities and minimise risk to the council in terms of audit and financial accountability.



CROSS CUTTING STRATEGIC THEMES

Image courtesy of Basking Shark Tours

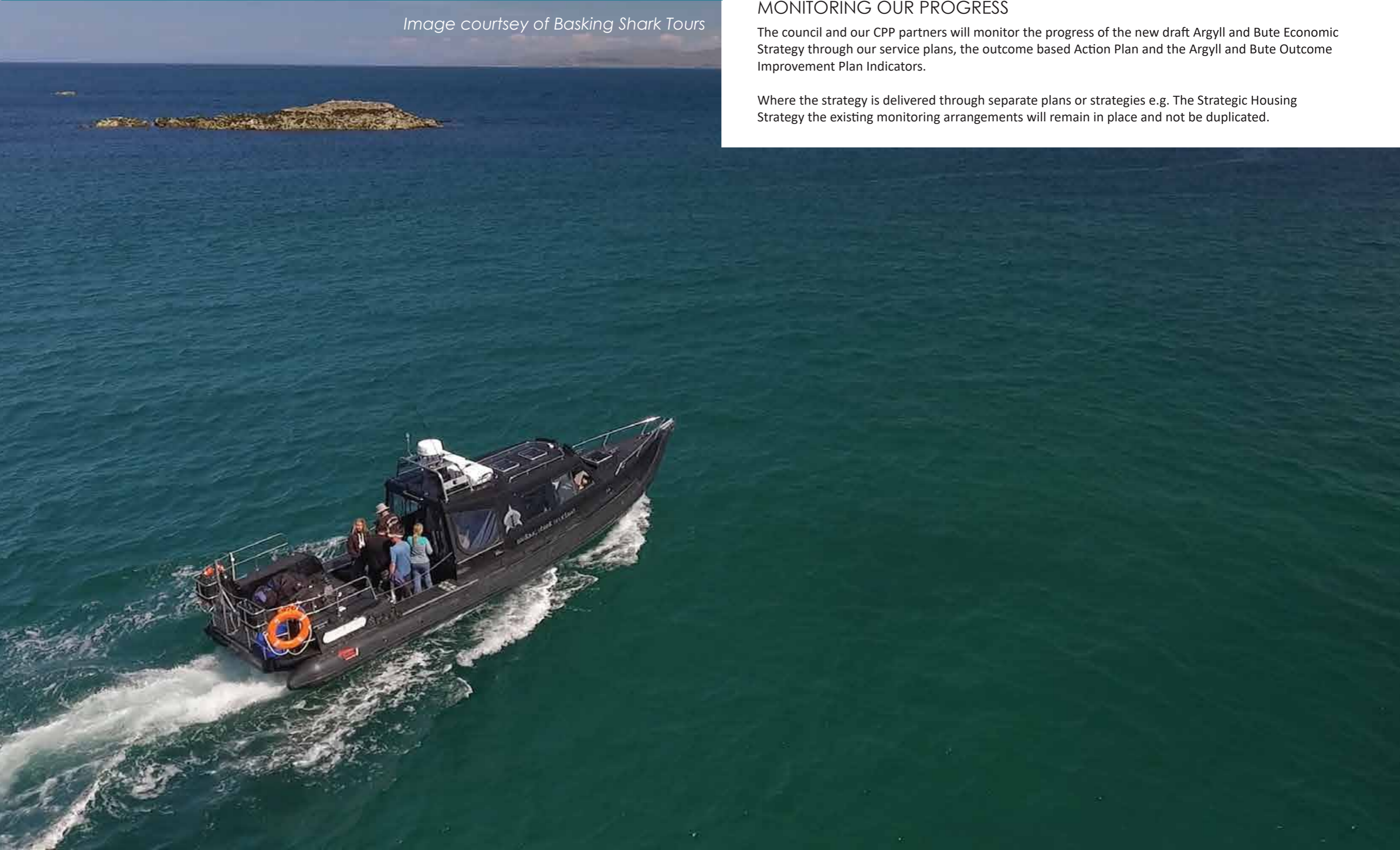
PARTNERSHIP WORKING

Reaching our full economic potential lies beyond the resources of the council on its own. Working in partnership is increasingly important across all sectors to pool resources and expertise in realising economic opportunity and addressing barriers to economic growth. The council will work with other enterprise agencies such as Highlands and Islands Enterprise and Scottish Enterprise to align plans and to operate as a cohesive regional team where possible.

MONITORING OUR PROGRESS

The council and our CPP partners will monitor the progress of the new draft Argyll and Bute Economic Strategy through our service plans, the outcome based Action Plan and the Argyll and Bute Outcome Improvement Plan Indicators.

Where the strategy is delivered through separate plans or strategies e.g. The Strategic Housing Strategy the existing monitoring arrangements will remain in place and not be duplicated.



ARGYLL AND BUTE ECONOMIC ACTION PLAN

CRITICAL ECONOMIC INFRASTRUCTURE - TO NATIONAL AND INTERNATIONAL MARKETS

ROUTES TO MARKET

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
Securing routes to market for our residents, businesses and visitors	Inform and influence the review of the National Transport Strategy 2	Influence	Scottish Government; Transport Scotland; Roads & Amenity Services; SPT; Hitrans; Abellio; Scotrail	Summer 2019
	Secure Transport Connectivity Investment through our Rural Growth Deal that supports the growth of our economy	Influence and Facilitate through RGD	UK & Scottish Government; Transport Scotland; SPT; Hitrans; Abellio; Scotrail.	2019
	Inform our Regional Transport Strategies for Argyll and Bute that meets the needs of our economy	Facilitate	Transport Scotland; Roads & Amenity Services; SPT; Hitrans; Planning and Regulatory Services	Autumn 2020
	To establish Oban Airport as a regional hub connecting to the central belt and the Highlands and Islands region	Influence and Facilitate through RGD	UK & Scottish Government; HIAL; HIE; Hi Trans; Transport Scotland	2021

BETTER CONNECTED

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
A better connected place for our residents, businesses and visitors	Lobby the National R100 and mobile digital programmes to provide 100% coverage for our geographic region	Influence and Facilitation	UK & Scottish Governments; BT; Digital Scotland; HIE	2021
	Secure a Rural Growth Deal Investment in digital infrastructure to deliver innovative Fibre to Fibre Ultrafast technology and address gaps in 4G mobile coverage	Influence and Facilitate through RGD	UK & Scottish Government; HIE; Digital Scotland; BT	2019 onwards
	Influence investment in our energy grid	Influence	ABRA; National Grid; SSE; Energy Companies	2019 onwards
	Secure external investment in our active travel network	Influence and Facilitate through Sustrans & RGD	Scottish Government; Sustrans; Paths for All; Hi Trans; SPT	2019 onwards

ARGYLL AND BUTE ECONOMIC ACTION PLAN

PLACE AND PEOPLE - SKILLS, RESIDENTS, VISITORS & BUSINESSES

STRONGER PLACES

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
Creating a sense of Place through an outstanding built environment	To make best use of available external funding to deliver physical improvements to our built environment making our area more attractive to live, work and invest in	Influence and facilitation	Historic Environment Scotland (HES); Heritage Lottery Fund (HLF); HIE; and Scottish Government	Ongoing
	To deliver a Sense of Place Fund through the Rural Growth Deal focusing on smaller communities	Influence and facilitation	UK & Scottish Governments; HES; HLF	Ongoing
Creating a clear vision for our communities	Supporting local communities to retain and develop BIDs and community economic alliances	Influence and facilitation	Oban, Dunoon and Helensburgh BIDs; Bute Islands Alliance; Inspire Dunoon; HIE; BIDs Scotland; SURF.	Ongoing
	We will look to inform the content of the National Islands Plan	Influence and facilitation	Argyll Strategic Islands Group	Ongoing
	Supporting local communities in securing assets	Facilitation	Community Groups; HIE	Ongoing

STRONGER PLACES

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
To raise our profile as a centre for cultural activity and create a vibrant and sustainable creative sector	To support the development of key cultural hubs	Influence and facilitation	UK and Scottish Government's; HES; HLF; Community Groups and Trusts; Creative Scotland; HIE	Ongoing
	To distribute a strategic events and festivals budget subject to available resources	Facilitation	Community Groups; Events Scotland; Creative Scotland	Ongoing
	To support the development of a sustainable Creative Business sector through the creation of a network of effective regional hubs	Influence and facilitation through CHArts	Creative Scotland; CHArts/ Creative sector	2019
Create key worker housing to support economic growth	To support Film and TV production in Argyll	Influence and facilitation	Council Services; Creative Scotland; Screen Scotland	2018 onwards to 2023
	Secure additional housing investment in the Rural Growth Deal	Influence and facilitation through RGD	UK and Scottish Government's; HIE; Construction companies; Strategic Housing and Communities Forum; Housing service	2019/20 onwards to 2023

ARGYLL AND BUTE ECONOMIC ACTION PLAN

PLACE AND PEOPLE - SKILLS, RESIDENTS, VISITORS & BUSINESSES

SKILLS FOR WORK

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
The creation of an inclusive economy	We will look to make work pay through the development of a regional Fair Work Strategy that will include the promotion of an Argyll and Bute Region Living Wage.	Influence and facilitation	Private sector; HIE; Scottish Enterprise; DYW	2021
	We will deliver an employability service that assists people with multiple barriers into employment on a commercial basis.	Influence and facilitation through Employability	Scottish Government	Ongoing
Improving people's working skills to achieve higher paid employment	Improving people's working skills to achieve higher paid employment	Influence and facilitation through RGD	SDS; Argyll College; UHI; SAMs; HIE; SE; Education Service	2020
	Support delivery of the Developing Young Workforce Programme	Influence	Skills Partnership; DYW Argyll; Scottish Government; private sector; SDS	Ongoing

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
We will ensure that 95% of school leavers across Argyll and Bute enter employment, training or education				
Implement DYW programme	Influence	Scottish Government; DYW; Argyll College UHI; HIE; SDS; Education service.		Ongoing
We will increase the total number of employees and businesses across Argyll and Bute that work within our key business sectors identified in the Rural Growth Deal				
Establish Newton Rooms/STEM portals through the Rural Growth Deal		Influence	UK and Scottish Governments; SDS; Education service	2019
To expand our academic offer in Argyll and Bute that meets the needs of our key business sectors.				
Establish key business clusters related to our key business sectors	Influence and facilitation through the RGD	HIE; SE; MOD; University of the Highlands and Islands; UK and Scottish Governments; Stirling University; Strathclyde university; Argyll College - UHI; Private sector.		2023
To grow and develop Oban as a University Town to have a minimum of 1,700 students by 2030	Influence and facilitation through Oban as a University Town partnership and RGD	HIE; SAMs; Argyll College – UHI; Oban Bids; Education service; Oban Community Council;		2021 onwards
To increase the number of businesses eligible for the growth pipeline				
Deliver core Business gateway support	Facilitate		HIE; SE;	Ongoing

ARGYLL AND BUTE ECONOMIC ACTION PLAN

SMART GROWTH - DOING MORE THAT WORKS

SUPPORTING OUR PRIORITY SECTORS

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
Increase the employment opportunities and GVA of our priority sectors	Deliver a sector-specific growth programme through specialist support in tourism, food and drink, marine sciences, renewables and defence industries	Facilitate	HIE; Universities; Scottish Enterprise; AITC; Visit Scotland; Food from Argyll; Private sector; Agricultural Forum; MOD;	Ongoing
To increase the number of visitors by 15 % and the value of Tourism to the Argyll economy by 10% by 2030	To deliver a new Regional Tourism Strategy and 10 year Action Plan	Influence and facilitation	HIE; SE; AITC; Visit Scotland; Cal Mac; Loch Lomond and Trossachs National Park.	2020 Onwards
	Identify locations for future hotel investment	Influence and facilitation	Planning and Regulatory Services; AITC; Visit Scotland; SDI	2019
	Identify future cultural, marine and adventure tourism investment opportunities for inclusion in the Rural Growth Deal	Influence and facilitation through the RGD	Planning and Regulatory Services; AITC; Visit Scotland; SDI	2019
	To achieve World Host Status for Argyll	Influence and facilitation through Business Gateway	AITC; Visit Scotland; people plus.	2019

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
To increase the value of the Argyll Food and Drink industry	To identify and develop opportunities for the growth of Argyll's food & drink sector	Influence and facilitate through the RGD	HIE; Food from Argyll; Agricultural Forum; Mount Stuart;	Ongoing
Delivery of the Maritime Change Project that best benefits the Argyll wider economy	Maintain the existing strategic partnership and implement action plan	Influence and facilitate through partnership working and the RGD	UK Government; SE; MoD; Private sector partners; SDS; SDI	2023
	Secure additional investment through the Regional Growth Deal for an Engineering business acceleration cluster.	Influence and facilitation through the RGD	UK and Scottish Governments; SE; Strathclyde University; MoD; Private sector partners;	2023
To grow our population and raise our National profile as a place to live, invest, learn, do business and visit.	To secure an Argyll Rural Growth Deal	Influence and Facilitate	UK and Scottish Governments; HIE; SE; SFT;	2019 Onwards
	To sustain and update a clear Argyll marketing and branding strategy for our region	Influence	Council Communications team; CPP partners	2019 Onwards

ARGYLL AND BUTE ECONOMIC ACTION PLAN

SMART GROWTH - DOING MORE THAT WORKS

IMPROVING INNOVATION AND PRODUCTIVITY

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
Establish Argyll as the natural choice for ambitious and innovative industries to grow and flourish	Deliver phases 2 and 3 of the European Marine Science Park at Dunbeg including a new Marine Training Centre.	Influence and Facilitate Oban as a University town and RGD	UK and Scottish Governments; HIE; UHI; Argyll College – UHI; HIE;SAMs; Private sector partners;	2021
	Deliver a Centre of aquaculture excellence at Machrihanish (MACC).	Influence and facilitation through the RGD	UK and Scottish Governments; HIE; MACC; Stirling University.	2020/21
	Secure additional investment through the Regional Growth Deal for an industry logistics centre at Kilmory Industrial Estate	Influence and facilitation through the RGD	UK and Scottish Governments; HIE; Private sector partners;	2020
Increase the start-up rate, growth and survival of small and medium sized businesses	Deliver core Business gateway support	Facilitate	HIE; SE	Ongoing
	Deliver enhanced support through attracting additional external funding	Facilitate	HIE; SE	Ongoing

KEY OUTCOME	ACTIONS	EDST ROLE	DELIVERY PARTNER(S)	DATE OF DELIVERY
	Deliver a comprehensive, robust and up to date economic profile for our region	Facilitate	HIE; SE	Ongoing
To lower our carbon footprint	Maintain ABRA To examine opportunities to better utilise our renewable energy resource in Argyll	Influence	UK Government; National Grid; UK and Scottish Governments; ABRA;	Ongoing
Ensuring a modern fit for purpose energy grid	Lobby through ABRA to bring forward improvements to the national grid and take forward pilot projects that look to improve the local energy grid and increase the use o renewables	Influence and facilitation	ABRA members; ALIE Energy; HIE; Local communities	Ongoing
Create Business clusters	Identification of investor ready development opportunities and seek external funding to address critical economic infrastructure as required	Influence and facilitation	Planning and Regulatory Services; HIE; SE; SDI	2019/20

ARGYLL AND BUTE ECONOMIC ACTION PLAN

EDST INTERVENTION CRITERIA

ESDT INTERVENTION CRITERIA	CORE ACTIVITES
Our role is to intervene in the event of market failure with potential regional impacts.	<ul style="list-style-type: none"> Work with partners to broker solutions and mitigate against negative impacts.
Our role is to monitor, lobby and bid for external funding to address our economic priorities.	<ul style="list-style-type: none"> Deliver Rural Growth Deal; Prepare external funding updates and prepare/submit evidence for new structural funding streams.;
Our role is to provide local economic information and evidence to improve our economic competitiveness as a region and enable economic growth.	<ul style="list-style-type: none"> Collect, analyse and disseminate demographic and economic data to inform public and private sector decision makers looking to invest.
Our specific role through the strategy is to ensure that housing will support economic growth in our region by being available for key workers in the right place and of the right type.	<ul style="list-style-type: none"> Provide evidence to obtain funding for key worker housing through the Rural Growth Deal.
Our role is to influence, inform and lobby the Scottish Government, national and regional transport agencies for improved transport connectivity within, to and from Argyll and Bute.	<ul style="list-style-type: none"> Provide the necessary justification and evidence for the delivery of critical transport infrastructure by regional and national partners.
Our role here is to influence the energy industry including the national grid for the need for further investment in our energy system.	<ul style="list-style-type: none"> Work with ABRA
Our role here is to facilitate minor improvements to the network, improve integration of services and examine how new technology can improve our public transport system for the benefit of the local economy.	<ul style="list-style-type: none"> Work with SPT and Hi Trans at attract external investment and undertake feasibility studies.
Our role is to influence, inform and lobby for fit for purpose, modern digital connectivity throughout Argyll and Bute.	<ul style="list-style-type: none"> Work with our national partners to seek solutions to reduce gaps in the digital network and argue for additional investment through the RGD.

ESDT INTERVENTION CRITERIA	CORE ACTIVITES
Our role is to work with our partners to highlight places and individual sites in Argyll and Bute to potential investors.	<ul style="list-style-type: none"> Prepare data for potential investors Identify sites through the LDP and provide supporting economic data as appropriate.
Our role is to promote our area as a place for film and TV production.	<ul style="list-style-type: none"> Maintain an easy to use film support network including a dedicated web site with transparent charges for the use of council assets.
Our role is to undertake area regeneration activity that has the potential to deliver transformational change to local communities that makes them investor ready.	<ul style="list-style-type: none"> Bid for external funding for area regeneration projects. Deliver agreed heritage projects.
Our role is to help people with multiple barriers gain sustainable employment.	<ul style="list-style-type: none"> Deliver Government sponsored contracts through the employability service.
Our role is to support and build on the activities of developing the Young Workforce (DYW).	<ul style="list-style-type: none"> Work with DYW and skills providers.
Our role here is to support the growth of ambitious local SMEs that can offer additional and preferably higher value, employment opportunities.	<ul style="list-style-type: none"> Offer one to one advice through Business gateway Offer ERDF funding assistance Deliver bespoke training event in key areas such as digital training.
Our role is to work with our academic partners to expand further and higher education opportunities in Argyll and Bute.	<p>Through the Rural Growth Deal and targeted investments at:</p> <ul style="list-style-type: none"> Helensburgh – defence and engineering SAMs at Dunbeg – marine science Machrihanish/MERL – Aquaculture Argyll – UHI network improvements.

ARGYLL AND BUTE ECONOMIC ACTION PLAN

EDST INTERVENTION CRITERA

ESDT INTERVENTION CRITERA	CORE ACTIVITES
Our role will be to create, or take an active part in, strategic level partnerships, that have a clear aim to improve our economic performance.	<ul style="list-style-type: none"> • Tourism Strategic Partnership • ABRA • Oban as a University Town • Maritime Change.
Our role is to establish Argyll and Bute as a world class tourism destination.	<ul style="list-style-type: none"> • Help deliver a new strategic tourism strategy with clear priorities identified. • Facilitate World Host Training • Undertake Placemaking and Area Regeneration activity.
Our role here is to inform and facilitate this process including community asset transfer and by doing so helping to secure a sustainable economic future for all our local communities.	<ul style="list-style-type: none"> • Attracting external funding to undertake economic projects including RCGF • Asset Transfer • Community Renewables.
Our role is to support the expansion of the food and drink industry.	<ul style="list-style-type: none"> • Targeted feasibility studies, • Attending promotional events • Supporting the expansion of Food from Argyll.
Our role is to support the growth of the creative industry including supporting events with national and international appeal.	<ul style="list-style-type: none"> • Work with CHArts • Administering grants for strategic level events • Film and TV work.
Our role here is to attract sufficient private and public investment to establish a number of business clusters with the ability to accelerate growth in higher value jobs.	<ul style="list-style-type: none"> • Work with strategic partners to deliver the RGD.
Our role is to ensure compliance with relevant legislation and audit processes.	<ul style="list-style-type: none"> • Ensure proper records are kept • Prepare briefing papers on all aspects of economic and Transport policy.

ARGYLL AND BUTE ECONOMIC DEVELOPMENT STRATEGY DIAGRAM

ARGYLL AND BUTE ECONOMIC SUCCESS IS BUILT ON A GROWING POPULATION

