

1. SUMMARY OF ISSUES

- 1.1 The purpose of this paper is to seek approval from the Oban, Lorn and the Isles (OLI) Area Committee on taking forward the OLI Economic Development Action Plan (EDAP) as a **working document**, as outlined in **Appendix 1**.
- 1.2 The OLI EDAP is a working document so that economic opportunities can be captured and addressed as they arise over the next four financial years. Therefore the in-year and the medium term actions and success measures contained within the OLI EDAP will be reviewed and re-profiled on an ongoing basis with a formal review at the end of each financial year.
- 1.3 The OLI EDAP has been developed further to recent discussions with the Elected Members who sit on the OLI Area Committee and through a separate consultation workshop with Community Planning Partners in the Oban, Lorn and the Isles area.
- 1.4 The plan in **Appendix 1** highlights in bold text six key actions and associated success measures that will be delivered during the financial year 2014/15 for developing the Oban, Lorn and the Isles economy. In addition, all the key in-year actions and success measures for the CHORD programme have also been highlighted.

2. RECOMMENDATION

- 2.1 OLI Area Committee approves the area EDAP as a working document for the financial year 2014/15 and for the next three financial years up to 2017/18.

3. IMPLICATIONS

- 3.1 The implications for the OLI Area Committee are as outlined in **Table 3.1** below.

Table 3.1: Implications for the Oban, Lorn and the Isles Area Committee	
Policy	The OLI EDAP 2013-2018 aligns and adheres, as appropriate, to the overarching EDAP, 2013-2018 and the SOA delivery plans.
Financial	There will need to be ongoing consideration of best alignment between resources and priorities.
Legal	All legal implications at the project level will be taken into consideration.
HR	The OLI EDAP priorities will need to be resourced in terms of staff time in the context of the Council's annual service planning process and through shared staff resource discussions with Community Planning Partners.
Equalities	The OLI EDAP will comply with all Equal Opportunities policies and obligations.
Risk	If the OLI EDAP is not taken forward as a working document then there will be no clear focus on or understanding of the economic development activities, and the associated resources, that will have the greatest beneficial economic impact for the area over the next four financial years.
Customer Service	The OLI EDAP will provide internal and external customers with a clear articulation of the key priorities for developing the Oban, Lorn and the Isles economy, thereby facilitating focus, effective resource planning and partnership working at the local level.

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Appendix 1: Oban, Lorn and the Isles Economic Development Action Plan

Oban, Lorn and the Isles Economic Development Action Plan

By 2024, Oban, Lorn and the Isles will be:

- A **better connected and accessible place** with improved ferry services, road, rail, air and active travel links together with improved telecommunications networks and broadband coverage.
- A place of **outstanding natural and built heritage** with enhanced natural assets and new community owned facilities such as the Lismore Community Museum, the Luing Atlantic Centre and the Coll Community Centre.
- A place that can offer a **wide range of housing choice** in places with modernised essential services and infrastructure, with a focus on larger scale growth in Oban, the Dunbeg Corridor and Tobermory in Mull.
- A **competitive place better connected to the global economy** with thriving island and mainland communities that provide an incentive for businesses to locate to, particularly at Dunstaffnage in relation to the European Science Park and the implementation of the Lorn Arc Tax Incremental Finance project together with major tourism related developments at Saulmore Farm and Tom Leith at Dunbeg.
- A **greener place** with community led smaller scale renewable energy projects, and wave and tidal projects that have helped grow the local and national economy.

Overview

The town of Oban is an important transport hub and is a centre for local services, retail, marine and land based tourism, fishing, aquaculture, the Seafood Capital of Scotland, Gaelic culture and world-class marine research at the Scottish Association of Marine Science (SAMS) and the European Marine Science Park. The area is endowed with world-class tourist attractions and a variety of environments unsurpassed in Scotland. The island economies, although fragile, have the opportunity to build on their outstanding environment and heritage, such as Iona, in terms of its unique place in the story of Scotland and Christianity; and Mull as a centre for eco-tourism and the arts with Argyll and Bute's only theatre and arts centre, An Tobar.

Key Facts for Oban, Lorn and the Isles (latest available):

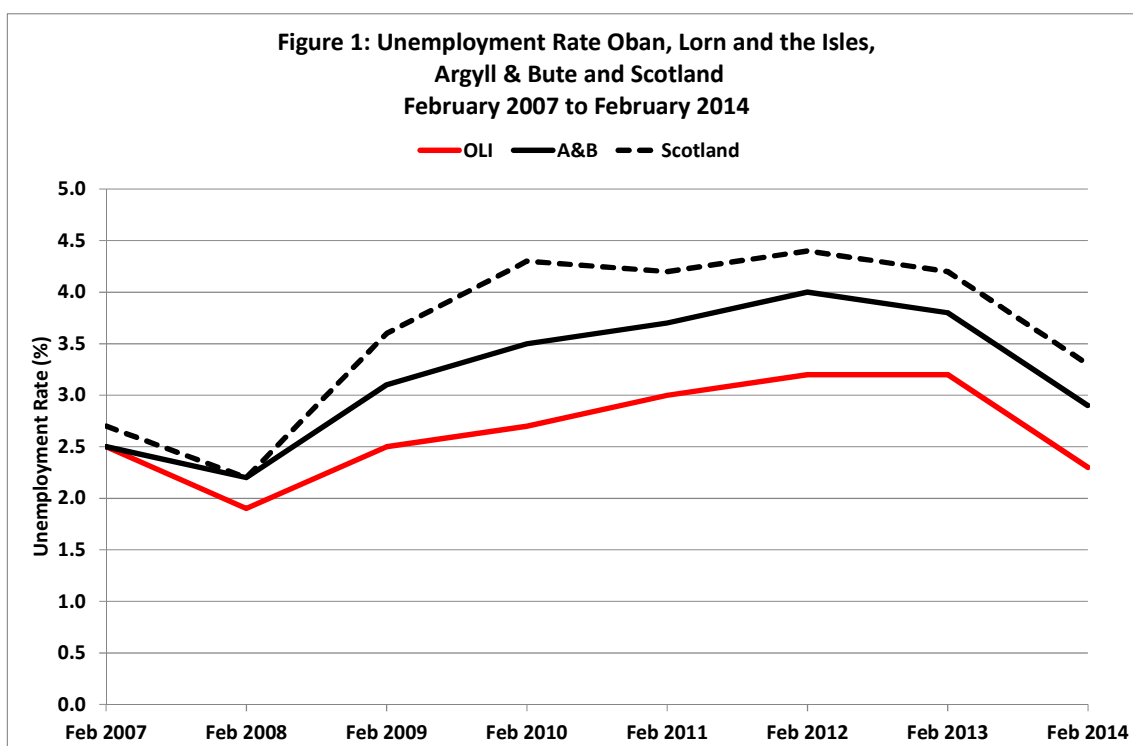
- **Resident population 2011:** 19,992 a 4.3% increase since 2001.
(A more detailed breakdown in population statistics will be undertaken during early 2014/15, for example, Tiree has witnessed a significant 15% decline in population over the period 2001 to 2011).
- **Total employee jobs 2012¹:** 9,562
 - Total full-time employee jobs: 5,547
 - Total part-time employee jobs: 3,815.

¹ Source: Business Register and Employment Survey 2012 – using 2003 Census Area Statistics (CAS) wards. It should be noted that this data excludes voluntary workers, the self-employed, working owners who are not paid via PAYE, government supported trainees and HM forces. Self-employed data is only available at the Travel-to-Work (TTWA) area level – one TTWA relates to Oban while for the other Mull is amalgamated with Islay.

- **Key sectors (% of total employee jobs):**
 - healthcare: 18.9%;
 - tourism: 15.7%; and
 - retail: 9.3%

Key Facts for Oban, Lorn and the Isles (continued):

- **Business start-ups:** third quarter of 2013/14, five start-ups were supported, against a quarterly target of six. By the end of the third quarter, 16 start-ups supported year-to-date target of 16 (100% of target achieved).
- **Unemployment:** consistently below the Argyll and Bute and the national average as depicted in **Figure 1** below.



Source: Claimant Count, March 2014, NOMIS

- **Planning applications:** decrease of 23.3% from 2007/08 to 2012/13.
- **Pre-planning applications:** increase of 31.2% from 2011/12 to 2012/13.

Oban's role as the gateway to the Isles and principal service centre for the north of Argyll provides the engine room for growth in Lorn and beyond. The area-based Economic Development Action Plan needs to ensure that this potential for growth can be fully realised through a planned extension of Oban, including the Dunbeg Corridor; that at the same time addresses known infrastructure constraints, including the need for high quality affordable housing.

Competitive Oban, Lorn and the Isles

Theme – A Competitive Oban, Lorn and the Isles				
Businesses: Business Audit				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
1.1.4, 1.1.5, 1.7.1, CO1 & ET01	Growing businesses and entrepreneurship in Oban, Lorn and the Isles.	Undertake an audit of businesses in the Oban, Lorn and the Isles area in order to identify the businesses (included social enterprises) not supported by Business Gateway or accounted managed by Highlands and Islands Enterprise.	Complete the business audit by the end of March 2015 and identify gaps in business support.	ABC (including Business Gateway), HIE and Oban BIDS.
Businesses: Business Gateway – Support to Business Improvement Districts Scotland (BIDS) in Oban, Lorn and the Isles				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
1.1.4, CO1 & ET01	Thriving and successful BIDS groups within the Oban, Lorn and the Isles area.	Business Gateway Advisers and other appropriate Argyll and Bute Council staff to continue to provide support and guidance to the Oban BIDS group and any other potential BIDS groups in the Oban, Lorn and the Isles area.	Identify opportunities for joint working between Argyll and Bute Council's Business Gateway and Oban BIDS group throughout 2014/15.	ABC Business Gateway and Oban BIDS.
Place: Town Centre Regeneration in Oban, Lorn and the Isles				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
2.6.1, CO11 & ET02	Regenerate our main town of Oban, building on the CHORD Programme in a manner that optimises sustainable economic growth.	<p>Expenditure of residual CHORD funding to conclude CHORD programme and support regeneration outcome.</p> <p>Development of Masterplan for south Oban.</p> <p>Deliver a new Oban High School.</p>	<p>Full business case signed off for the Maritime Visitor Facility, works start on site, during 2014/15.</p> <p>Full business case sign off of Oban Public Realm works, works start on site during 2014/15.</p> <p>Approved Masterplan.</p>	ABC, HLF and HIE.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
Lead partners: Argyll and Bute Council (ABC); Highlands and Islands Enterprise (HIE); Business Improvement Districts Scotland (BIDS); Heritage Lottery Fund (HLE).

Theme – A Competitive Oban, Lorn and the Isles (continued)				
Place: Argyll Marine Science Initiative, Dunstaffnage				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year and longer term)	Lead partners
2.1.2, CO11 & ET02	Dunstaffnage/Dunbeg fulfils its potential for marine science job creation and investment and as a residential location.	Take forward the business case with stakeholders, aligned with the Lorn Arc, Tax Incremental Finance (TIF) initiative, to identify funding streams and responsibilities to deliver road infrastructure to enable development.	Commence delivery of Lorn Arc, TIF, during 2014/15.	ABC and HIE.
Place: Oban as a University Town				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year and medium term)	Lead partners
1.2.5, 1.4.1, CO11 & ET02	To ensure Oban and the surrounding rural communities are economically dynamic, sustainable and connected to distinct opportunities.	Oban to become a Highlands and Islands University town: <ul style="list-style-type: none"> • Oban Marine Academy; • broad range of skills from practical nautical skills through to marine sciences; • school curriculum aligned to sectoral employment opportunities; and • businesses hold a milk round in Oban, Lorn and the Isles. 	Undertake a scoping/feasibility study on positioning Oban as a university town by October 2014.	ABC, HIE and AC UHI.
Sustainable Economic Assets: Priority One - Renewable Energy in Oban, Lorn and the Isles				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
1.5.3, CO14 & ET03	Optimise renewable energy potential for the benefit of Oban, Lorn and the Isles to ensure we have a thriving, sustainable renewable energy sector with well-developed local supply chains and community benefits.	Support the development of the local energy supply chain within the Oban, Lorn and the Isles area. Scottish Islands Federation in partnership with Argyll and Bute Council to support individuals and organisations on Iona, Lismore, Luing, Mull and Coll to develop an Island Sustainable Energy Action Plan through the SMILEGOV project. (Other islands can join as appropriate).	Six opportunities created for businesses to engage in direct supply chain contacts by end of March 2015. Training opportunities delivered through the SMILEGOV project with the local five island communities noted and other key stakeholders by the end of March 2015.	SIF, ABC, HIE, ABRA and OLI island communities.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
Lead partners: Scottish Islands Federation (SIF); Argyll and Bute Council (ABC); Highlands and Islands Enterprise (HIE); Argyll College, University of the Highlands and Islands (AC UHI); Argyll and Bute Renewables Alliance (ABRA).

Theme – A Competitive Oban, Lorn and the Isles (continued)				
Sustainable Economic Assets: Priority Two – Tourism, Quality Food and Drink, Forestry in Oban, Lorn and the Isles				
Tourism in Oban, Lorn and the Isles				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year and medium term)	Lead partners
1.6.1, 1.6.2, CO1 & ET01	Move industry up the value chain, extend season and improve profile and propositions.	Work with local and national partners to stimulate tourism investment, particularly in places such as Oban, Iona, Mull and Tiree (to include culture and heritage (Gaelic), mountain biking, cycling, sailing and canoeing).	Increase in visitor numbers to the Oban, Lorn and the Isles area by 5%. (STEAM and DREAM data but cost will be incurred).	AITC, AISTP, VS and ABC.
2.7.4, CO11 & ET02	Develop cruise ship market value chain across Argyll and Bute and improve profile.	Argyll and Bute Council works with partners to grow market. Develop Oban's North Pier Maritime Quarter and North Pier Maritime Visitor Facility – aligned to Lorn Arc TIF initiative.	Increase number of cruise ships and passengers to the Oban, Lorn and the Isles area during 2014/15 by 10%. Completion of the North Pier Maritime Visitor Facility by September 2015 in order to grow Oban as a marine transport hub.	Cruise Scotland, ABC, Shipping Companies, VS and RYA.
1.6.1, CO1 & ET01	Argyll Coastal Waters project delivery.	Work in partnership to deliver this project across three key locations in Oban and Lorn (e.g. Arduaine, Seil and Ganavan).	Completion of Oban and Lorn infrastructure works by end of April 2014.	ABC and STRAMASH.
Sustainable Economic Assets: Priority Two – Tourism, Quality Food and Drink, Forestry in Oban, Lorn and the Isles				
Quality Food and Drink in Oban, Lorn and the Isles				
Ref (SAO, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
1.6.1, CO1 & ET01	Sustainable food and drink supply chain that adds value across all its key components, primary producers to processors, in order to generate growth and wealth for Oban, Lorn and the Isles.	Build on the development of Oban as the 'Seafood Capital' of Scotland. To support the Scottish Island Abattoir Programme, 2013-2015.	Increase in visitor numbers to the Oban, Lorn and the Isles area by 5%. (STEAM and DREAM data but cost will be incurred). Delivery of discrete expert business mentoring support, business planning advice and capital support towards processing improvements for the Mull Abattoir by end of March 2015.	ABC (including Business Gateway), HIE, VS, AITC, AIAF and SAOS.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
Lead partners: Argyll and the Isles Tourism Co-operative Ltd (AITC); Argyll and the Isles Strategic Tourism Partnership (AISTP); Visit Scotland (VS); Argyll and Bute Council (ABC); Royal Yachting Association (RYA); Highlands and Islands Enterprise (HIE); Argyll and the Isles Agricultural Forum (AIAF); Scottish Agricultural Organisation Society Ltd (SAOS).

Connected Oban, Lorn and the Isles

Theme – A Connected Oban, Lorn and the Isles				
Digital Connectivity/Utilities in Oban, Lorn and the Isles				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (medium to longer-term)	Lead partners
2.2.1, CO11 & ET02	Superfast broadband to 85% – 90% of the population by 2020.	Argyll and Bute Council will work closely with HIE to ensure the success of their digital infrastructure project across Oban, Lorn and the Isles. Argyll and Bute Council will work closely with Community Broadband Scotland to ensure that communities receive the 2mbps broadband provision	Argyll and Bute interests are safeguarded and the HIE project meets its targets for Argyll and Bute, including Oban, Lorn and the Isles. Fibre technology infrastructure into Oban by May 2014. Maximise the £5 million funding available from Community Broadband Scotland.	ABC, HIE, BT, and Ofcom.
2.2.2, CO11 & ET02	Improved mobile phone signal quality and coverage levels throughout Argyll and Bute.	Identify the impacts of various mobile providers' development plans on coverage across Argyll and Bute. Develop plans with partner organisations to work with the industry to maximise coverage across Argyll and Bute.	Continue to influence mobile phone providers to upgrade coverage across Argyll and Bute, including Oban, Lorn and the Isles.	ABC and HIE.
2.3.1, CO11 & ET02	Grid – Improvements to transmission network	Argyll and Bute Council communicates needs to the national grid.	Through ABRA continue to influence the National Grid to increase capacity on the network.	National Grid and ABRA.
Transport Infrastructure: Road, Ports and Harbours/Ferries, Air, Rail, Cycling and Walking in Oban, Lorn and the Isles				
Road				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year and medium term)	Lead partners
2.1.2, CO11 & ET02	Road – upgrade and maintain council road network and for trunk roads (A82, A85).	Participation in working groups e.g. Transport Scotland A83 Working Group, Argyll Timber Transport Group. Kirk Road upgrade and realignment. Work with the Kerrera community on an application to the Coastal Community Fund for Kerrera road (south to north of island).	Roads asset planning and maintenance strategy aligned to the preparation of an Infrastructure Action Plan with the inclusion of the Oban, Lorn and the Isles area. Submission of application by end of April 2014.	TS, ATTG, RTPs, HIE and AISTP.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
Lead partners: Argyll and Bute Council (ABC); Highlands and Islands Enterprise (HIE); British Telecom (BT); Argyll and Bute Renewable Alliance (ABRA); Transport Scotland (TS); Argyll Timber Transport Group (ATTG); Regional Transport Partnerships (RTPs); Argyll and the Isles Strategic Tourism Partnership (AISTP).

Theme – A Connected Oban, Lorn and the Isles (continued)				
Transport Infrastructure: Road, Ports and Harbours/Ferries, Air, Rail, Cycling and Walking in Oban, Lorn and the Isles (continued)				
Port and Harbours/Ferries				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (medium term)	Lead partners
2.7.4, CO11 & ET02	Realise greater economic development benefit from our ports and harbours and explore opportunities arising from Scottish Ferries Plan and safeguard Argyll and Bute Council's interests.	Argyll and Bute Council works with Transport Scotland to explore transfer of Council ferry services. Influence ferry operator to align with commuter needs i.e. ferry arriving from Mull prior to 10 a.m.	Transfer of responsibility of Council operated ferry services to TS in 2015/16.	SG and TS.
Air Services				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
2.1.3, CO11 & ET02	Continue to grow patronage on Argyll and the Isles Air Services and explore options to be included in a larger air PSO network.	Argyll and Bute Council works with HITRANS, Western Isles Council and Transport Scotland to explore options for a West of Scotland PSO network, to include a regular commercial air link between Oban and Glasgow/Oban to Barra.	Increase annual number of PSO air passengers carried.	Western Isles Council, TS, HITRANS, HIAL, Air operators.
Rail Services				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
2.1.2, CO11 & ET02	Safeguard and influence the improvement of rail links to, from Oban to central Scotland.	Support the initiative of five train services a day to Oban (school run provision).	Service launch in May 2014.	ScotRail and Hi-Trans.
Cycling and Walking				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year and medium term)	Lead partners
2.1.2, 2.1.4, CO11 & ET02	Improve cycling and walking network across Argyll and Bute and improve active travel network, for example, Core Paths Plan, 2013, West Highland Way, Oban to St. Andrew's Pilgrim's Way and Columba Pilgrimage Way.	Bid submitted to Sustrans, 14 Feb 2014 – Community Link Programme.	Completion of Oban to Fort William cycleway in Argyll by 2015.	ABC, TS, Sustrans, HC, FCS and AICCT.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.

Lead partners: Scottish Government (SG); Transport Scotland (TS); Highlands & Islands Airports Ltd (HIAL); Argyll and Bute Council (ABC); Highland Council (HC); Forestry Commission Scotland (FCS) Argyll and the Isles Coast and Countryside Trust (AICCT).

Collaborative Oban, Lorn and the Isles

Theme – A Collaborative Oban, Lorn and the Isles (continued)				
Skills Development				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
3.6.6, 5.6.7, CO1 & ETO1	Skills development interventions respond to the needs of the Oban, Lorn and the Isles economy and support individuals and businesses realise their full potential.	Deliver a skills audit for Oban, Lorn and the Isles aligned to the proposed Argyll and Bute Skills Investment Plan, led by Skills Development Scotland.	Completion of Skills Audit by end of March 2015.	ABC, SDS and HIE.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
 Leader partners: Leader partners: Argyll and Bute Council (ABC), Skills Development Scotland (SDS); Highlands and Islands Enterprise (HIE).

Compelling Oban, Lorn and the Isles

Theme – A Compelling Oban, Lorn and the Isles				
Increase Profile				
Ref (SOA, CO & SO)	Outcome (by year 5)	Actions to achieve outcome	Success measures (in year)	Lead partners
1.3.1, 1.3.2, 1.3.3, CO1 & ETO1	Increase the profile of the Oban, Lorn and the Isles area to attract economically active new residents (individuals and families) inward investors and visitors (with a potential to locate to Oban, Lorn and the Isles) in order to promote economic development.	<p>Creation of a Promotional Action Plan/Market Campaign with input from local communities and employers.</p> <p>This will include addressing some key questions, such as:</p> <ul style="list-style-type: none"> • who is responsible? • resources required? • who we want to appeal to? • what are the Compelling messages for each key group? • how do we align with the other three Cs? • how do we reach target audiences? • who are our key partners? • how do we monitor? 	Delivery of unified approved plan/marketing campaign for Oban, Lorn and the Isles with resources assigned, by summer 2014.	ABC Comms team, ABC department, HIE and other appropriate Community Planning Partners.

Notes: Ref (SOA, CO and SO) – reference to the Single Outcome Agreement, corporate outcome and service outcome which this particular outcome will contribute towards.
 Leader partners: Argyll and Bute Council (ABC); Highlands and Islands Enterprise (HIE).