

**Rural Resettlement Fund**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The Argyll and Bute Council 2016-17 Budget included an announcement of a £500k Rural Resettlement Fund to help incentivise new residents and/or businesses to relocate to Argyll and Bute and help grow our population.
- 1.2 It is also intended that the Fund forms an integral part of the Argyll, Lomond and the Islands Rural Regeneration Initiative (ALIRRI) that will establish a programme of activity focused on achieving economic growth through a rising population throughout Argyll and Bute.
- 1.3 This report sets out proposed criteria for the Fund, timescales and governance
- 1.4 Members of the committee are asked to:
1. Agree that the main focus of the Rural Regeneration Fund should be to incentivise new residents and/or businesses to relocate to Argyll and Bute.
  2. Agree that officers produce a range of options, including all administration arrangements, for member approval at August Policy and Resources Committee
  3. Note that the Executive Director for Development and Infrastructure will report to the Policy and Resources Committee on a regular basis on the operation and performance of the fund.

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**2.0 INTRODUCTION**

- 2.1 Argyll and Bute is one of four council areas in the last census that recorded a falling population in a number of areas particularly amongst economically active people of working age. The Argyll and Bute Council 2016-17 Budget included an announcement of a £500k Rural Resettlement Fund to help incentivise new residents and/or businesses to relocate to Argyll and Bute and help grow our population.
- 2.2 It is also intended that this Fund forms an integral part of the Argyll, Lomond and the Islands Rural Regeneration Initiative (ALIRRI) that will form a programme of activity focused on achieving economic growth through delivering a rising population throughout Argyll and Bute.

**3.0 RECOMMENDATIONS**

- 3.1 Members of the committee are asked to:
1. Agree that the main focus of the Rural Regeneration Fund should be to incentivise new residents and/or businesses to relocate to Argyll and Bute.
  2. Agree that officers produce a range of options, including all administration arrangements, for member approval at August Policy and Resources Committee
  3. Note that the Executive Director for Development and Infrastructure will report to the Policy and Resources Committee on a regular basis on the operation and performance of the fund.

**4.0 DETAIL**

- 4.1 The main objective of the £500k Rural Regeneration Fund will be to help incentivise new residents and/or new businesses to relocate to Argyll and Bute with a focus on attracting economically active people in the 18 to 35 age group in an effort to boost our population growth. The Fund is intended to cover the whole of Argyll and Bute and focussed on people rather than infrastructure improvements. It is also proposed that this Fund focuses on

shorter term deliverables as the other funds associated with ALIRRI are likely to have a medium to longer term timeline for delivery.

- 4.2 In taking forward this fund the Economic Development and Strategic Transportation (EDST) service of the council have been working with the Scottish Government Improvement Service to identify successful examples of rural repopulation initiatives in other parts of rural Europe. Of particular interest with regard to this fund is the work being taken forward in Ireland and Norway that have helped deliver sustainable population growth in rural populations. Further work will be however be necessary to examine what incentives would best suit the population challenges we face
- 4.3 Other options at this early stage in the process currently being considered for inclusion within the fund are as follows:-
- The possible targeting of council tax discounts for new permanent residents coming to Argyll and Bute similar to the current offer by Inverclyde. Consideration of further targeting of this benefit to people of working age and/or business owners will also be given;
  - The possible targeting of additional business rate relief for existing and/or new businesses;
  - The targeting of educational scholarships for young people continuing their education in Argyll and Bute particularly in skills relevant to our economy or where skill shortages have been identified;
  - The award of small grants or assistance with the employment of staff for a range of specified activities;
  - The delivery of a business mentoring scheme to support the growth of small and medium sized businesses operating in Argyll and Bute.
- 4.4 It is also proposed that EDST officers examine a range of existing programmes that can be enhanced or expanded through the availability of this fund. For example, the fund could supplement the £275k of ERDF monies that will be used to provide a series of incentives for employment or business growth. The advantage of this is that this approach is that there is an already made delivery mechanism that can assist with project delivery in an efficient manner.
- 4.5 Another area for further examination is the extent the fund can be used to attract match funding or better as it is taken forward. EDST intend to contact a number of key partners to see what additional funding contributions to the fund could be realised.

## Governance

- 4.6 It is proposed that the governance arrangements for the Rural Regeneration Fund will be taken forward in a planned, transparent and accountable way following the principles of Prince 2 and managing Successful Programmes (MSP) principles. Note that the Executive Director for Development and Infrastructure will report to the Policy and Resources Committee on a regular basis as part of the reporting on the Argyll, Lomond and the Islands Rural Regeneration Initiative.

## **5.0 CONCLUSION**

- 5.1 The Argyll and Bute Council 2016-17 Budget included an announcement of a £500k Rural Resettlement Fund to help incentivise new residents and/or businesses to relocate to Argyll and Bute and help grow our population. This fund will form an important part of the Argyll, Lomond and the Islands Rural Regeneration Initiative that will form a programme of activity focused on achieving economic growth through a rising population. It is intended that EDST Officers develop a range of options for this Fund that can be considered by members at the August Policy and Resources Committee. The Fund is intended to be governed as part of the wider ALIRRI programme which will be presented to Policy and Resources Committee on a regular basis and managed by existing EDST staff in as efficient manner as possible to achieve maximum benefit for Argyll and Bute.

## **6.0 IMPLICATIONS**

- 6.1 **Policy** The proposed fund will offer the opportunity to support the objective and long term outcomes of the Single Outcome Agreement together with the LDP Action Plan and Local Development Plan and the EDAP.
- 6.2 **Financial** An allocation of £500k was identified in the 2016/17 budget.
- 6.3 **Legal** None at this time.
- 6.4 **HR** Existing staff within the Economic Development and Strategic

Transportation Service will administer the fund on behalf of the Council.

6.5 **Equalities** None at this time.

6.6 **Risk** The efficient delivery of this fund will be critical to its success in assisting population growth in Argyll and Bute

6.7 **Customer Service** None at this time.

**Executive Director of Development and Infrastructure, Pippa Milne**

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