

BUTE AND COWAL ECONOMIC DEVELOPMENT ACTION PLAN 2016-2021 - UPDATE

1. EXECUTIVE SUMMARY

- 1.1 The purpose of this paper is to provide members of the Bute and Cowal (B&C) Area Committee with an update with regard to the progress of the in-year actions/milestones in the B&C Economic Development Action Plan (EDAP), 2016-21.
- 1.2 The content of the B&C EDAPs fits with and contributes to the Local Outcome Improvement Plan (LOIP) long term objectives 2023 developed by the Community Planning Partnership.
- 1.3 It is important to note that the B&C EDAP is a working document so that economic opportunities can be captured and addressed as they arise during 2016-21.
- 1.4 The following recommendations are for consideration:
 - The B&C Area Committee members note the updates provided in this paper.
 - The B&C Area Committee provides comments on the B&C Economic Development Action Plan, 2016-21 update as outlined in **Appendix 1**.

BUTE AND COWAL ECONOMIC DEVELOPMENT ACTION PLAN 2016-21 – UPDATE

2. INTRODUCTION

- 2.1 The purpose of this paper is to provide members of the Bute and Cowal (B&C) Area Committee with an update with regard to the progress of the in-year actions/milestones in the B&C Economic Development Action Plan (EDAP), 2016-21.

3. RECOMMENDATIONS

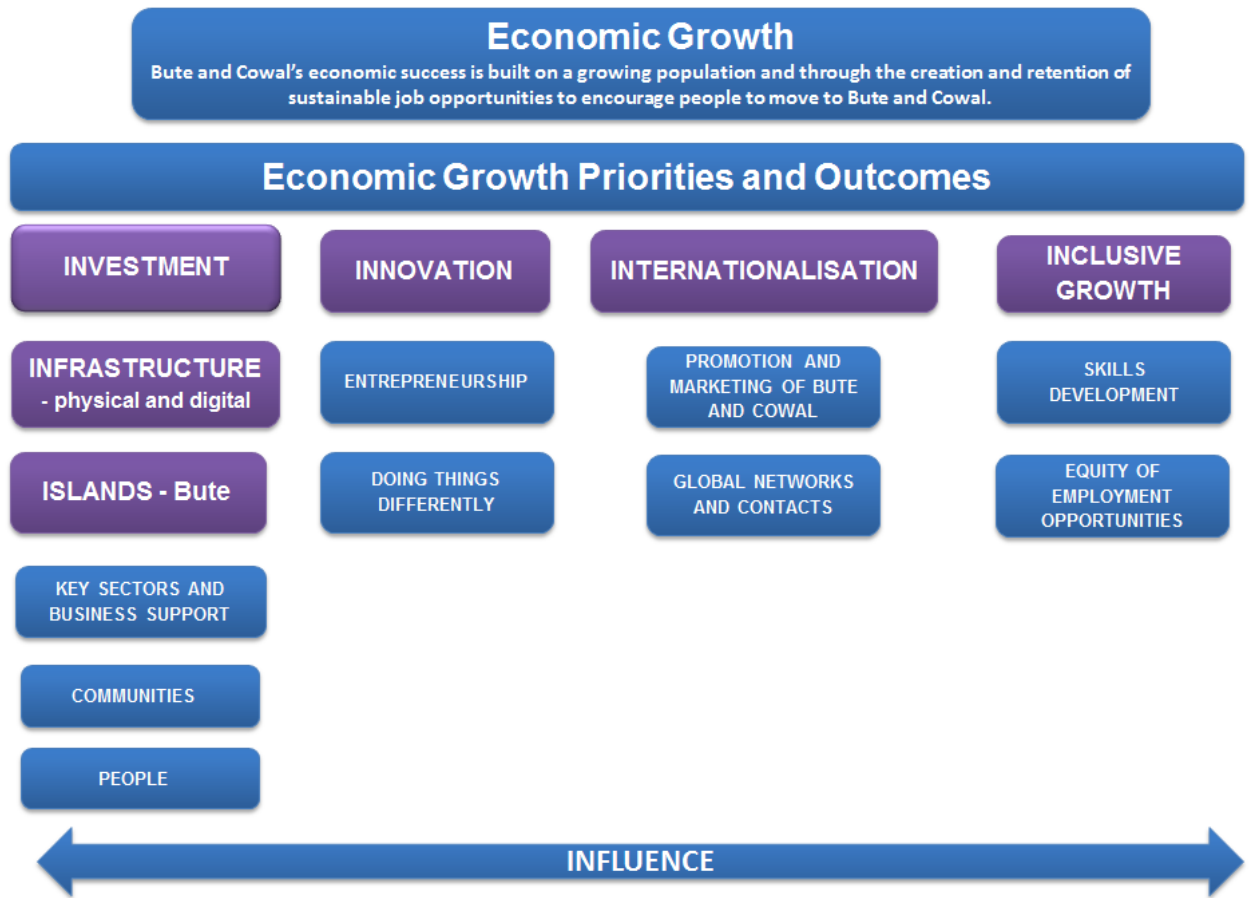
- 3.1 The B&C Area Committee members note the updates provided in this paper.
- 3.2 The B&C Area Committee provides comments on the B&C Economic Development Action Plan, 2016-21 update as outlined in **Appendix 1**.

4. B&C EDAP UPDATE

- 4.1 The overarching challenge for the B&C economy, aligned to the whole of Argyll and Bute, is to grow the population, achieving a positive net migration and an increase in young, working age residents. (Current projections suggest a decline of 27% of the B&C population by 2037; with a forecast that the working age population will fall by 37%).
- 4.2 As approved by the Area Committee on 4th October 2016 the revised EDAP for B&C focuses on opportunities for economic growth aligned to the four priorities (referred to as '4i's) outlined in Scotland's Economic Strategy:
- Investment;
 - Innovation;
 - Internationalisation; and
 - Inclusive growth.

The 'Investment' priority in Scotland's Economic Strategy focuses on investment in 'Infrastructure'. Given that this is a significant issue for the B&C area, and for Argyll and Bute as a whole, 'Infrastructure' has been considered as a key priority. In addition, 'Islands' i.e. Bute has also been identified as a key priority and a further 'i' of 'influence' as outlined in **Figure 1** below. However, it should be noted that all the 'i's noted are not mutually exclusive of each other.

Figure 1: Economic Growth Framework for B&C



4.4 Following approval by the Area Committee on 4th October 2016 of the B&C EDAP (with a discrete plan for Cowal and one for Bute) the update outlined in **Appendix 1** provides a tabular presentation to include comments on progress for each of the actions/in-year milestones.

5. CONCLUSION

5.1 This report provides the B&C Area Committee with an updated on the B&C EDAP, 2016-21 aligned as appropriate to the four priorities outlined in Scotland's Economic Strategy. This B&C EDAP is a working document for 2016/21 to enable economic growth opportunities to be included as they arise.

6 IMPLICATIONS

- 6.1 Policy The Bute and Cowal EDAP 2016/21 (and subsequent in-year plans) must align and adhere, as appropriate, to the Local Development Plan and the LOIP Local/LOIP long term objectives, 2016-2023.
- 6.2 Financial The Bute and Cowal EDAP will ensure that the area's resources are allocated efficiently and effectively with regard to the economic development priorities and ambitions for Bute and Cowal. There will need to be annual consideration of best alignment between resources and priorities.
- 6.3 Legal All appropriate legal implications at the project level will be taken into consideration.
- 6.4 HR The Bute and Cowal EDAP priorities will be resourced in terms of staff time in the context of the Council's annual service planning process and as appropriate through shared staff resource discussions with Community Planning Partners.
- 6.5 Equalities The Bute and Cowal EDAP will comply with all Equal Opportunities policies and obligations.
- 6.6 Risk None.
- 6.7 Customer Services The Bute and Cowal EDAP will provide internal and external customers with a clear articulation of the key priorities for developing the Bute and Cowal economy, thereby facilitating focus, effective resource planning and partnership working at the local level.

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Appendix 1: Bute and Cowal Economic Development Action Plan, 2016-21

Progress to Date (end of October 2016)

APPENDIX 1: BUTE AND COWAL ECONOMIC DEVELOPMENT ACTION PLAN, 2016-21

It should be noted that the SMART actions outlined below will be undertaken by appropriate staff and teams of staff across the EDST Service.

INVESTMENT - COWAL

Investment in infrastructure (physical and digital), key sectors, business support, communities and people will in turn attract further business investment, stimulate economic activity and deepen access to the labour market in the Cowal area.

COWAL: INVESTMENT IN INFRASTRUCTURE - PHYSICAL/CAPITAL PROJECTS				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Rural growth is underpinned by a cohesive approach to regeneration. (Outcome 2)	Capital investment has successfully regenerated Cowal in a manner that optimises sustainable economic growth.	Refurbishment of the Queen's Hall and public realm works Dunoon.	<ol style="list-style-type: none"> 1. Award Contract for Enabling Works: Contract awarded 5th May 2016 to OES Ltd. Works commenced on site 30th May 2016. 2. Award Contract for Asbestos Removals Works: Contract awarded 5th May 2016 to Chamic Industrial Services Ltd. Works programmed to commence on site 27th June 2016. 3. Award Queens Hall Refurbishment and Public Realm Works Contract: Currently evaluating the commercial envelope of the tender submissions and subject to the necessary approvals from the Committees of the Council the Contract should be awarded on 10th October 2016. 	<ol style="list-style-type: none"> 1. Enabling works completed. 2. Asbestos Removals works programme extended by 8 weeks due to the presence of previously unidentified materials within the solum of the main auditorium. Works now scheduled to complete 25th November 2016. This is subject to Scottish Water completing the isolation of the incoming mains water supply. 3. Queens Hall Refurbishment and Public Realm Works contract awarded to McLaughlin & Harvey Ltd on 7th September. Contractor will establish their site presence week commencing 5th December: site office; site hoardings; public realm perimeter fences. Issues arose with the tenant at 24 Argyll Street (Skills Development Scotland), who had intended to co-locate with Argyll Training, who subsequently ceased trading, and we had to extend the time for them to vacate the property until 16th November (from 20th October) to enable them to make alternative arrangements.

COWAL: INVESTMENT IN INFRASTRUCTURE - PHYSICAL/CAPITAL PROJECTS (continued)				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Rural growth is underpinned by a cohesive approach to regeneration. (Outcome 2)	Capital investment has successfully regenerated Cowal in a manner that optimises sustainable economic growth.	Refurbishment of the Queen's Hall and public realm works Dunoon.	4. Main Works: Commence on site on 11 th November 2016.	4. Main works will commence on site on 16 th January 2017 with the demolition works to the southern and eastern elevations. We are currently awaiting the contractors Construction Phase Health and Safety Plan and Construction Programme; however it is expected that the construction activities should be complete for Feb/Mar 2018.
		Potential Dunoon Conservation Area Regeneration Scheme (CARS).	<ol style="list-style-type: none"> 1. Dunoon CARS bid to be considered by June full Council. 2. Subject to Council approval Dunoon CARS bid to be submitted by 31st August 2016 to be considered by Historic Environment Scotland (HES). 3. Subject to Council approval, approval of CARS funding bid by end of March 2017. 	<p>Points 1-3: A bid for £1m was made to HES on 31st August 2016, with a £0.5m contribution identified from the council as potential match funding. HES is due to make a decision in January 2017.</p> <p>A complementary Argyll and the Islands LEADER application was submitted in October. The bid has requested £10k towards the community engagement aspects of the project. This will be considered at the Argyll and the Islands LEADER Local Action Group meeting on 10th November 2016.</p>
		Dunoon identified as an Area for Action within the Local Development Plan where a 'planning for real' Charrettes process will be undertaken.	<ol style="list-style-type: none"> 1. SURF undertaking feasibility analysis on behalf of HIE. The analysis will identify actions which could strengthen the town's capacity for growth and for attracting inward investment. The report will also consider the potential for a Dunoon Alliance for Action. Recommendations from the report are also likely to support an application to the Scottish Government Charrette programme. 2. Appropriate match funding to support a bid to Scottish Government would be required to be identified. 	<ol style="list-style-type: none"> 1. SURF has concluded a feasibility analysis and held a meeting with stakeholders on 13th September in relation to the potential for an Alliance. The idea was supported. 2. A bid to the Scottish Government for a charrette was made in September 2016. The Scottish Government is due to make their decision in November 2016. A bid will be made to Carnegie UK Trust in November in attempt to secure £7k to support shared learning between Dunoon and another Scottish town with similar characteristics, opportunities and challenges.

COWAL: INVESTMENT IN INFRASTRUCTURE - PHYSICAL/CAPITAL PROJECTS (continued)				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Areas within Argyll and Bute realise their potential through partnership working. (Outcome 1)	Integrated sustainable transport networks.	Smarter Choices Smarter Places project to identify potential improvements to accessibility in the Dunoon town centre in particular around the town centre ferry terminal.	1. Undertake Smarter Choices, Smarter Places feasibility study by end of March 2017.	1. Aecom has been commissioned to provide a feasibility study into potential active travel improvements that could be made to West Bay in Dunoon. This will include improving active travel linkages into Dunoon town centre and the ferry terminal. Aecom is in the process of arranging a workshop with key stakeholders and it is hoped this will take place the week commencing the 14 th November. It is intended to use the recommendations of the feasibility study to bid for future grant funding to upgrade active travel infrastructure (subject to securing sufficient match funding).
		Town centre to town centre ferry links	1. Continue to lobby for a Dunoon-Gourock town centre to town centre vehicle and passenger ferry service.	1. Ongoing.
COWAL: INVESTMENT IN KEY SECTORS AND BUSINESS SUPPORT				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
The environment is part of the solution to a growing economy. (Outcome 1)	Cowal recognised as an accessible location for documentary/film production.	Documentary and film production in Cowal.	1. Attract 4 documentary/film productions to Cowal by end of March 2017. 2. Calculate the spend generated by production activity by end of March 2017.	1. There have been 7 productions completed. This consists of a drama series for Netflix, 3 commercials, 2 television programmes and a stills shoot. 2. This has generated approximately £166,500 into the local economy.
Entrepreneurship is at the heart of all we do. (Outcome 1)	Sustainable and growing businesses in Argyll and Bute.	Roadshow across the Cowal business community to promote available business support with a focus on the EDRF funded Local Growth Accelerator Programme, the LEADER Enterprise funding and the LEADER Farm Diversification funding.	1. The Head of Economic Development & Strategic Transportation accompanied by Business Gateway staff will repeat Business Lunch event held late 2015 in Dunoon in the autumn of 2016.	1. The Business Lunch was delivered in Dunoon on 11 th October 2016.

COWAL: INVESTMENT IN COMMUNITIES				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Areas within Argyll and Bute realise their unique potential through partnership working. (Outcome 1)	Thriving, sustainable and successful Cowal Communities and the Third Sector.	Refurbishment of Blairmore Village Hall.	1. Assist with an application to the Big Lottery Fund Growing Community Assets and others as appropriate during 2015/16.	1. Group now a Scottish Charitable Incorporated Organisation (SCIO) and will take forward an application to BLF in 2017.
		Development of Dunoon Community Sports Centre.	1. Assist with the development of Dunoon Community Sports Centre with key input from Culture and Leisure Services.	1. This work is ongoing.
		Development of the Argyll Mausoleum	1. Continue to support Historic Kilmun to develop a tender for a business, funding and marketing plan. 2. Assist Historic Kilmun with an application to the Heritage Lottery Fund during 2016/17 for Argyll Mausoleum, with input from Amenity Services.	1. Work has been continuing with the Historic Kilmun board to help them develop a Business Plan. 2. A reviewed application for funding is planned to be made through Resilient Heritage.
COWAL: INVESTMENT IN PEOPLE				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Everyone in Argyll and Bute is supported to be ambitious and realise their full potential. (Outcome 3) Education and training opportunities are aligned to economic development opportunities both within Argyll and Bute and nationally. (Outcome 3)	Education and skills training opportunities are aligned to economic development opportunities within Cowal.	Dunoon Grammar School, Work Based Vocational Learning (WBVL) programme. A cornerstone of the WBVL is the EXit into employment (EXite) programme which is a course aimed at young people (Secondary School Years S4 to S6). The Principal Contractors for the physical works in Dunoon are required to provide the programme of placements covering the core building/ construction disciplines / trades and key project support disciplines submitted in their Tender Submission.	1. Each individual placement will be provided between August through to April of the relevant academic year during the construction phase. 2. Each individual placement will be provided on the basis of a half day or full day block each working week, Thursday or Friday, depending on availability. 3. The location of the placement is generally to be within the Dunoon and wider Cowal area.	Points 1-3: Following appointment of McLaughlin and Harvey Ltd as the Principal Contractor for the Queens Hall refurbishment, an initial meeting was held with A&BC Procurement Officer, Developing Young Workforce Officer, Dunoon Grammar School and McLaughlin and Harvey to begin the process of developing WBVL opportunities as well as wider opportunities for engagement with all of the Cowal Primary Schools.

INTERNATIONALISATION – COWAL

Enable Cowal to take advantage of international opportunities by rethinking its role in an evolving global context.

INTERNATIONALISATION – PROMOTION AND MARKETING OF COWAL				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Argyll and Bute has a positively promoted image within and outwith its area boundary. (Outcome 1)	Cowal is a destination of choice for families, individuals and businesses to relocate, live and work.	Delivery of the Marketing Action Plan.	<ol style="list-style-type: none"> Promotion of success of major capital regeneration projects and venue marketing, such as the Queens Hall. Joined up marketing of local events in partnership with Dunoon BIDS group e.g. Cowal Games, Scottish Rally, half marathons/10k, National Mod, World Highland Dancing Championships, music festivals, etc. - attractive for visitors and also for people who may decide to move there. 	<ol style="list-style-type: none"> Dunoon's regeneration featured in the Scottish Town's supplement in the Sunday Herald in May. Argyll and Bute Council's 'What's On' section of the website now links to the 'Explore Argyll' website giving full coverage of events around the region. To arrange to meet with Dunoon BIDS group to see what further support can be given.

INVESTMENT - BUTE

Investment in Bute's infrastructure (physical and digital) will in turn attract further business investment, stimulate economic activity and deepen access to the labour market.

BUTE: INVESTMENT IN INFRASTRUCTURE - PHYSICAL/CAPITAL PROJECTS				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Rural growth is underpinned by a cohesive approach to regeneration. (Outcome 2)	Capital investment has successfully regenerated Bute in a manner that optimises sustainable economic growth.	Refurbishment of the Rothesay Pavilion (grade A heritage asset).	<ol style="list-style-type: none"> 1. Enabling contract started on site 18th April 2016 - contractor John Brown (Strone) Ltd. 2. Enabling contract due to complete on 22nd July 2016 although this is likely to be extended due to the extent of specialist concrete repairs that are necessary following the down taking of all ceilings (worse condition than anticipated). The extent of potential delay is currently being assessed. 3. Tender main works package – currently planned to go to tender during first week in September with a return in mid-October 2016. This may be affected by the potential delay to the enabling works highlighted above. 4. Main works currently planned to start in March/April 2017 but may be delayed for reasons outlined above. 	<p>Points 1-4: Enabling works contract was completed on 21st October 2016. The contract completion date was 22nd July 2016. The reasons for the delay were:</p> <ul style="list-style-type: none"> • The condition of the concrete frame was much worse than originally envisaged and required a significantly enhanced level of specialist repair. • A number of ceilings required an extra layer of fireboarding to meet current building standards in respect of fire protection • Unforeseen asbestos was found in the fly tower above the stage which had to be removed under controlled conditions. <p>This has had a knock-on effect on the issue of tenders for the main works. Tenders will now be issued on 9th January 2017 with a return on 20th February 2017. Anticipated site start now June 2017.</p>
		Rothesay Townscape Heritage project.	<ol style="list-style-type: none"> 1. Preparation and submission of Rothesay TH Development stage 2 bid to Heritage Lottery Fund (HLF) by March 2017. 2. Charrette guiding principles being taken forward through TH and Bute Alliance. 3. Finding a sustainable future for Royal Hotel subject to analysis from SURF and forthcoming options appraisal to be undertaken during 2016/17 – funding secured through Rothesay TH. 	<ol style="list-style-type: none"> 1. Project development is progressing and a bid will be made in March 2017. 2. As per the first bullet point. 3. An options appraisal and marketing analysis on the Royal Hotel will be undertaken over the winter months.

BUTE: INVESTMENT IN KEY SECTORS AND BUSINESS SUPPORT				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Entrepreneurship is at the heart of all we do. (Outcome 1)	Sustainable and growing businesses in Argyll and Bute.	Roadshow across the Bute business community to promote available business support with a focus on the EDF funded Local Growth Accelerator Programme, the LEADER Enterprise funding and the LEADER Farm Diversification funding.	1. The Head of Economic Development & Strategic Transportation accompanied by Business Gateway staff will repeat Business Lunch event held late 2015 in Rothesay in the autumn of 2016.	1. The Business Lunch was delivered in Rothesay on 6 th October 2016.
		New business start-ups by the refugee population on Bute.	1. Business Gateway to work with X-Forces during 2016 to assist business starts-up on Bute.	1. This work is ongoing. Business Gateway has fed into the 'Evaluation and Lessons Learnt' report for the Council's Refugee Resettlement Programme to be presented at the Argyll and Bute Council meeting on 24 th November by Community Services and at the Community Planning Partnership Management Committee on 20 th December 2016.

INNOVATION - BUTE

Bute must foster a culture of innovation alongside specific initiatives.

BUTE: INNOVATION - ENTREPRENEURSHIP				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Entrepreneurship is at the heart of all we do. (Outcome 1)	Argyll and Bute is recognised as a key location for enterprise and entrepreneurial activity.	Increase the level of entrepreneurship throughout Bute.	1. Develop actions that align with social enterprise activities such as Vital Spark, within a pop up shop environment to engender creativity on the island, linking specifically to work with young people and capacity building. This would be undertaken as part of Rothesay Townscape Heritage development stage to not only gauge community and business reaction, but allow feedback and develop ideas to the point of creation of new start-ups, which will then feed into Business Gateway support.	1. Work is progressing on the pop up shop which is due to be open this autumn.

INTERNATIONALISATION – BUTE

Enable Bute to take advantage of international opportunities by rethinking its role in an evolving global context.

BUTE: INTERNATIONALISATION – PROMOTION AND MARKETING OF BUTE				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Argyll and Bute has a positively promoted image within and outwith its area boundary. (Outcome 1)	Bute is a destination of choice for families, individuals and businesses to relocate, live and work.	Delivery of the Marketing Action Plan.	<ol style="list-style-type: none"> Promotion of success of major capital regeneration projects and venue marketing, such as the Rothesay Pavilion. Joined up marketing of local events e.g. Highland Games, Music Festival, Jazz Festival, 'T in the Port', etc. - attractive for visitors and also for people who may decide to move there. 	<ol style="list-style-type: none"> Rothesay's regeneration featured in the Scotland's Towns supplement in the Sunday Herald in June. Rothesay Pavilion's place in the Top 100 buildings of the Century competition has been featured on Facebook, Twitter and the Hub. Postcards and posters produced and circulated around the town to encourage people to vote for the building to get to first place. Argyll and Bute Council's 'What's On' section of the website now links to the 'Explore Argyll' website giving full coverage of events around the region.

INCLUSIVE GROWTH – BUTE

Bute is recognised as an area that promotes fair and equitable inclusive growth.

BUTE: INCLUSIVE GROWTH – SKILLS DEVELOPMENT				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Oct 2016)
Education and training opportunities are aligned to economic development opportunities both within Argyll and Bute and nationally. (Outcome 3)	Robust and sustainable engagement between employers and education.	Work with Mount Stuart regarding the development of an education/research campus in Rothesay with links to British and American Universities.	<ol style="list-style-type: none"> Work with Mount Stuart Trust in partnership with Bute Alliance to assist in securing the facility and progress local educational links to meet the needs of the community. 	<ol style="list-style-type: none"> Work is continuing to progress.