

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's 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 B&C Area Committee members are asked to:

- Note the updates provided in this paper.
- Provide comments on the B&C Economic Development Action Plan, 2016-21 update as outlined in **Appendix 1**.

4. B&C EDAP UPDATE

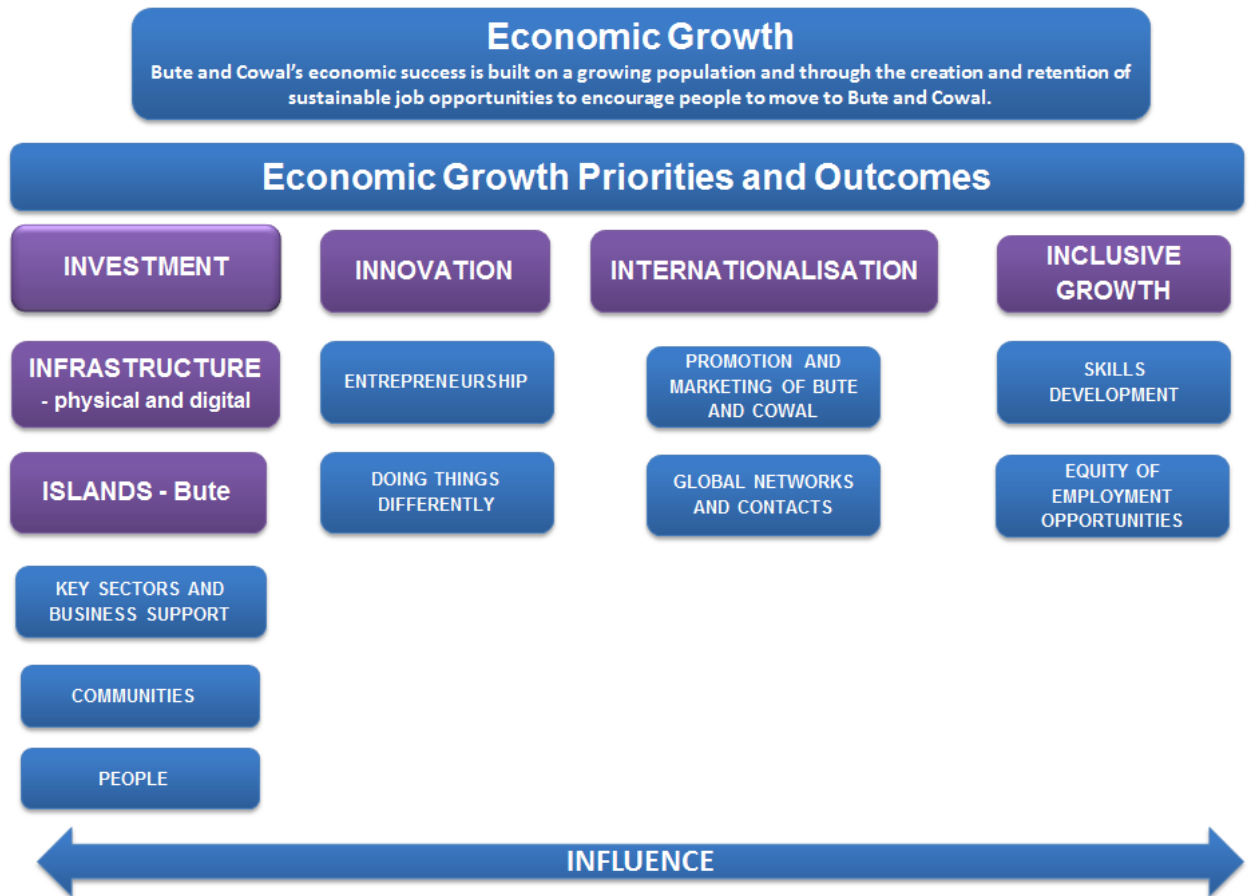
4.1 The overarching challenge for the B&C economy, aligned to the whole of Argyll and Bute, is to grow the population, achieving a positive net migration and an increase in young, working age residents. (Current projections suggest a decline of 27% of the B&C population by 2037; with a forecast that 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.

4.5 As agreed at the B&C Area Committee on 1st December 2015, quarterly progress reports will be provided to the members of B&C Area Committee and an officer from the Economic Development and Strategic Transportation Service will attend on an annual basis to provide a detailed update given that many of the projects and areas of work require sufficient time to be developed to a point where there is something meaningful to report.

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

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| 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 Local Outcome Improvement Plan's long term objectives, 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. |

Pippa Milne, Executive Director of Development and Infrastructure

Cllr Aileen Morton, Policy Lead, Sustainable Economic Growth

17th January 2017

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

Progress to Date (end of December 2016)

APPENDIX 1: BUTE AND COWAL ECONOMIC DEVELOPMENT ACTION PLAN, 2016-21 - UPDATE END OF DECEMBER 2016

It should be noted that the SMART actions outlined below will be undertaken by appropriate staff and teams of staff across the EDST Service. For ease of reference, the text in bold within the 'Progress to Date (end Dec 2016)' column provides members with an update on the progress report until the end of November 2016 that was issued to all on the 22nd December 2016.

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 Dec 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. 4. Main Works: Commence on site on 11th November 2016. 	<ol style="list-style-type: none"> 1. Works Complete. 2. Works now scheduled for completion 20th January 2017. Programme extended due to discovery of additional asbestos and delays in Scottish Water disconnecting mains water supply, which was finally disconnected on 23rd December 2016. 3. Contract Awarded 7th September 2016 to McLaughlin & Harvey Ltd. 4. Formal contract start up meeting held on 14th October 2016. <ol style="list-style-type: none"> a. M&H submitted their Construction Phase (Health and Safety) Plan (CPHSP) for approval on 31st October. This is a key H&S document and works cannot start until we are satisfied that it meets all of the statutory requirements. The CPHSP was approved on 1st November and McLaughlin & Harvey commenced

				<p>pre-construction activities on site w/c 12th December 2016. This included the installation of the site hoardings, delivery of plant and equipment and establishment of welfare facilities. M&H takes formal possession of the site on 16th January and will immediately commence demolition works, starting with the soft strip-out of the shop units and restaurant on the ground floor, and the café and changing rooms on the first floor</p>
		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. 3. Subject to Council approval, approval of CARS funding bid by end of March 2017. 	<p>A bid for £1M was submitted to HES on 31st August 2016. A decision is anticipated late January 2017.</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. 	<p>The bid to Scottish Government for a charrette was successful, and has secured £25K of funding for this purpose.</p> <p>A separate bid to Carnegie UK Trust was made on 25th November 2016 for shared learning opportunity between Dunoon and another Scottish town with similar characteristics. If successful, it is considered that the resources allocated, in addition to the small pot of funding (£7K) provided, would support the progression of an action(s) identified through the charrette consultation process.</p>

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 Dec 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.	Aecom is progressing the study and has undertaken consultation with relevant Council Officers in Roads and Strategic Transportation about proposed improvements.
		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.	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 Dec 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.	ERDF funded Local Growth Accelerator Programme was launched 31/10/16 and included in the funding seminar as part of Argyll Enterprise Week (as was LEADER). First applications for BG LGAP support received, including an application from the Cowal area. Business Lunch held in Dunoon 11/10/16 with 9 attendees.

COWAL: INVESTMENT IN COMMUNITIES				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Dec 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.	Assisted with development of a new up to date constitution as required by Big Lottery Fund. Bid to new Big Lottery Fund programme, Community Assets in spring 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.	Met with Dunoon Community Sports Centre and Sportscotland 18th November to discuss a revised application. A revised outline application was thereafter submitted and an outcome, with regard to permission to proceed to stage two, is expected in January 2017.
		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.	Information provided to support the development of the marketing plan. Scoping of similar organisations in Bute and Cowal for collaborative purposes.
COWAL: INVESTMENT IN PEOPLE				
SOA Long Term Objectives (2023)	Outcome (by year 5)	Description of Activity	Milestones/Actions (in year)	Progress to Date (end Dec 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.	M&H met on 7 October 2016, with Dunoon Grammar School, A&BC Procurement, A&BC Lead Officer – Developing our Young Workforce (DYW) and CHORD Programme Manager to discuss how the project will support the DYW agenda. M&H finalising programme and options for WBVL to Dunoon Grammar School for submission in January 2017.

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 Dec 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"> Major Capital regeneration projects highlighted in the autumn edition of the new Transformation magazine produced by the Council's Marketing and Promotions Officer. The Transformation winter edition will be published by the end of January 2017. Ongoing.

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 Dec 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. 	<ol style="list-style-type: none"> 1. Enabling works contract awarded to John Brown (Strone) Ltd – the works are now complete (24-Oct) and included: <ol style="list-style-type: none"> a. Removal of all internal ceilings to expose the reinforced concrete ribbed construction above b. Specialist repairs to the concrete ribs c. Removal of all M&E fitments – pipework, ductwork etc. d. Removal of asbestos. e. The decision to award the enabling contract has proved very worthwhile as it has de-risked these elements of the project and provided additional technical information to be included in the tender documents for the main works contract. 2. Main works contract. <ol style="list-style-type: none"> a. The four bidding contractors were shown around the building on 11th October by the PM and the architect. We took this opportunity to explain the scope of the enabling works and what would feed into the main works contract. b. A full package of production information is currently in production by the design team and we will issue the tender documents in mid -January 2017 with the deadline for their return in late February/ early March. (Final dates being confirmed). c. On the basis of the above it is planned to start the main works on site in June

				2017, with completion following in November 2018, subject of course to an acceptable tender.
		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& 2 Bute Island Alliance is an active partner in the development of Rothesay TH, which is due to be submitted on 3rd March 2017 (includes 3. Part of the development work includes the delivery of a report to consider and provide a market analysis and options appraisal relative to the former Royal Hotel.

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 Dec 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 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 Rothesay in the autumn of 2016.	ERDF funded Local Growth Accelerator Programme was launched 31/10/16 and included in the funding seminar as part of Argyll Enterprise Week (as was LEADER). Business Lunch held in Rothesay 6/10/16 with 6 attendees.
		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.	RTE is contracted to provide the support with self-employment. Business Gateway is providing local support, as are Regulatory Services. Three clients are developing business plans and seeking funding. One client recently secured loan funding from the SJ Nobel Trust. Finding premises has been one of the challenges.

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 Dec 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.	Potential creative entrepreneurs will be able to access the facilities of the popup shop from the middle of January 2017 to showcase their products within a traditional shop setting, and also online. The experiences of those who use the shop will be captured in a report format to support the delivery of Rothesay TH. In addition, there is a complementary piece of work being undertaken to look at training needs and skills development potential.

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 Dec 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"> Major Capital regeneration projects highlighted in the autumn edition of the new Transformation magazine produced by the Council's Marketing and Promotions Officer. The Transformation winter edition will be published by the end of January 2017. Ongoing.

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 Dec 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. 	Mount Stuart House is considering the purchase of adjacent council land to support better access for the education/research campus.