



ARGYLL AND BUTE ECONOMIC FORUM REPORT

The Results up to December 2017

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GLOSSARY

AITC	Argyll and the Isles Tourism Co-operative Ltd
AISTPSG	Argyll and the Isles Tourism Partnership Steering Group
BIDS	Business Improvement Districts Scotland
BRC	British Retail Consortium
CALMAC	Caledonian MacBrayne (CalMac Ferries Ltd)
CFA	Clyde Fishermen's Association
CPP	Community Planning Partnership
EKOS	Economic and Social Development
HIAL	Highlands and Islands Airports Limited
HIE	Highlands and Islands Enterprise
HI TRANS	The Highlands and Islands Transport Partnership
MACC	Machrihanish Airbase Community Company
MPAS	Marine Protected Areas
NOMIS	National Online Manpower Information System
RET	Road Equivalent Tariff
SALSA	Safe and Local Supplier Approval
SAMS	Scottish Association of Marine Science
SE	Scottish Enterprise
SEPA	Scottish Environment Protection Agency
SPT	Strathclyde Partnership for Transport (SPT)
SUSTRANS	Sustainable Transport (British Cycling Organization)
THI	Townscape Heritage Initiative
UHI	University of the Highlands and Islands
WSLF	West of Scotland Loan Fund Limited

SUMMARY

The Argyll and Bute Economic Forum was set up in 2015 to look at the problem of continuing population decline in Argyll; and to look at it specifically from a business perspective. The Forum is chaired by Nicholas Ferguson CBE, at that time Chairman of Sky plc, now Chairman of Savills plc. Its members are business leaders, Argyll and Bute Council members, the Council's Chief Executive, representatives of the Scottish Government, Highlands and Islands Enterprise (HIE), Scottish Enterprise, SAMS and CalMac. The Economic Forum Report was published at the beginning of 2016. The Forum has met six times since then to monitor progress. The purpose of this report is to look again at the recommendations which were made in 2016, and to report on the progress that has been made in implementing them.

In our 2016 report, we analysed the demographic data. It was clear that the critical problem was the loss of the 20-44 working age group. We needed to encourage more of them to stay, and to come to work and live in Argyll and Bute. The key to this was jobs.

In addressing this need for jobs, we took the same approach one does in a business: find out what is growing; back it to the hilt; and remove all barriers to that growth. This approach drove our recommendations.

The three key areas of growth in employment that we found were:

- Tourism.
- Food and drink production, particularly aquaculture.
- Higher Education.

We are pleased to report that the developments in all three of these have been very positive. Visitor numbers for Argyll and Bute have shown an increase of 22% over the last two years, with growth of 38% at our key tourist attractions. Numerous private sector tourist-related companies and initiatives have seen investment, new employment, growth, and profitability. Tourism worldwide continues as a major growth industry, with annual increase in visitor numbers since 2010 of some 5%. Aquaculture employment and profits both increased by 10% despite production issues. Other food and drink production has grown. Higher Education has seen impressive growth. The principal higher education institutions in Argyll are UHI Argyll College, SAMS and Ballet West. Total student numbers have increased over the last two years by some 28%.

So there is no question that Argyll is now on the move. This is clearly very encouraging.

In terms of the support which was sought for these developments, and the removal of barriers to their growth, the detailed review is set out below. We have been impressed that the great majority of our recommendations have been acted on speedily and effectively. To give just a few key examples, the marketing and promotion for Argyll, led by the Argyll and the Isles Tourism Cooperative, supported by the Council and HIE, has been active and impressive. On higher education, Oban has been named a “University Town” and the first phase of the student accommodation recommended has been built.

In terms of barriers, while there are still important gaps, there has been a major step forward in improving 4G mobile access and broadband coverage, although there is still a long way to go to further widen availability.

The important barrier where limited progress has been is inadequate roads. Limited progress has been made on the trunk road improvements which we suggested, which continues to leave problems for people travelling to and within Argyll and will be a long-term deterrent to both tourism and industry. This needs to be addressed urgently by the Scottish Government via a comprehensive programme of improvement, not just repair, for the A83, A82 and A85 in particular.



REVIEW OF RECOMMENDATIONS

1. A SHARED VISION

In the report, we said: “As in any business, if we are to achieve our potential we need a joined up approach from all of us all working to the same objective: business people, councillors, council officers, MSPs, MPs, journalist, editors, school teachers, parents, agencies such as HIE, Scottish Enterprise and the Scottish and UK governments”. Based on our activities over the last two years, we believe we have a well-joined up approach from the great majority of these. The one important gap we see is with journalists and editors, and that is for us to put right in the next few months.

2. TOURISM

TOURISM – VISITOR NUMBERS

Over the last two years (2015 to 2017) visitor numbers to Argyll and Bute increased by 22%. This compares with a decrease of 2% in the previous two year period (2013-2015). This is clearly a very significant increase in our most important industry. In addition, the tourism season has widened: visitors in the November to March period were up 35% in 2017.

The visits to our key cultural assets were also up strongly, as shown below:

VISITOR NUMBERS

	2015	2017	% CHANGE
INVERARAY CASTLE	88,000	117,000	+ 33%
MOUNT STUART	21,000	49,000	+ 133%
ROTHESAY CASTLE	10,000	11,500	+ 15%
KILMARTIN HOUSE	11,300	13,800	+ 22%
IONA ABBEY	59,000	70,000 (EST)	+ 19%
TOTAL	189,300	261,300	+ 38%

Source: AITC

MARKETING AND PROMOTION

The Argyll and the Islands Tourism Cooperative (AITC) has made huge progress on this with budgetary support from the Council together with other bodies such as HIE, Visit Scotland and CalMac.

The AITC is the principal tourism marketing group for Argyll and Bute, with just under 1,000 members. Their important programmes since 2015

have included “Wild About Argyll” with Mark Beaumont, which gave very successful prominence to our outdoor activities and positioned the area as Scotland’s Adventure Coast. To give just two examples, the online display had 677,000 impressions; and 200,000 people saw the related cinema advert. The campaign was shortlisted for an international Place Brand Award sponsored by the New York Times, losing out to Visit Copenhagen. The further programmes were World Host and Digital Tourism Scotland, which had over 400 participants in each over the last two years. In terms of digital promotion, unique visitors to the Explore Argyll website have risen from 38,000 in 2015 to 95,000 in 2017. AITC is clearly having an impact. This commendable and successful effort needs to continue.



OPERATIONS

We recommended a much more proactive approach to meeting visitors’ needs. This has taken place in a number of ways, including widening the range of visitors’ services. These vary from the Cowal Way, with nearly 8,000 walkers this year, to new businesses offering guiding and transport, horse-riding safaris, kayaking safaris and many, many others.

There is also a continuous upgrading of our existing tourism facilities taking place. To give just a few examples, a new (and much needed) Premier Inn is going up next to the ferry terminal in Oban; the Perle Hotel (formerly the Caledonian Hotel also at Oban) has completed a £5million refit; the Machrie Hotel and historic golf course is progressing well with an £18million refit, supported by HIE; Portavadie has completed a world-class spa and is now looking to add further rooms. In addition, the planned £50million investment in the Dunoon Project, to provide mountain biking, zip lines and restaurants will be a major boost to the Cowal area.

From a recent industry survey, 70% of the 240 participants from Argyll and Bute (incidentally, a far higher participation number than any other

Scottish region) were “very” or “quite” optimistic about the future. 50% plan to “significantly invest in their business”.

CONSERVATION, MAINTENANCE OF OUR LANDSCAPE

On this we score highly. The council and the government have been careful of intrusive developments and Argyll remains the beautiful place it is. In one area we have to be careful: new industrial wind turbines being proposed are now some 140m high. This scale of development is simply too big and obtrusive for the Argyll landscape. The council has completed a revision of landscape capacity for onshore wind in recent months that will inform the emerging new Local Development Plans.



It is also very important that our farming communities continue to be supported. There are moves underway to convert more farming to forestry. This has to be very carefully managed. A monoculture will not produce an attractive landscape; and farming is part of our heritage and way of life.

MORE MARKED PATHS AND MAPS

There are now many more paths and walkways, and Argyll is becoming a centre for long-distance walking and cycling. For example, the Cowal Way, which hardly existed in 2014, welcomed 8000 walkers in 2017, and the Kintyre Way many more. For those who prefer two wheels to two legs, a new motorcycle and cycle route has been created, running 190 miles between Inveraray and Campbeltown. There is still work to do on the maps, particularly showing access to beaches, although this will be picked up to some extent through the 2018 campaign being developed by AITC .

EXPANDING OUR CULTURAL ASSETS

We had several recommendations.

- Support for the expansion of Kilmartin Museum. The funding for this is well underway with important support from the Council, HIE, the Heritage Lottery Fund and Historic Scotland.
- Seeking World Heritage Status for Kilmartin Glen. This is now underway with a committee in place.
- Increasing off season events and festivals. This has been done with considerably more musical events throughout the area. As one piece of evidence of demand, Skippinish playing at the Burgh Hall (another successful transformation project led by the local community) in Dunoon just before Christmas, sold out in a few minutes and played for two nights instead of one. The Campbeltown Picture House is now open after a successful refurbishment. The Dunoon Queen's Hall and the Rothesay Pavilion renovations are underway. In addition, food festivals, including "Best of the West Festival" at Inveraray, have been major successes with new events being announced on a regular basis. AITC is developing plans for a food, drink and music event in the Briggait in Glasgow this summer to promote Scotland's Adventure Coast in the city over the World Pipe Band Championship weekend. There's clearly momentum behind this initiative.



MARINE TOURISM

We recommended the need to support the fast-growing marine tourism sector. Specifically we saw the need for more moorings and pontoon expansion at Campbeltown, Tobermory and Tarbert marinas, as well as a new berthing and step-ashore facility at Oban North Pier. Much of this has now taken place and we congratulate the Council (and partners) in particular on the Oban North Pier project. In addition, a major expansion of Rhu Marina is currently being considered by the Crown Estate who are the owners.

From a product development perspective, AITC is leading a major pan-West Coast Marine Tourism Collaboration, engaging 7 other DMOs (Destination Marketing Organisation) from the Outer Hebrides to Arran and including the 12 DMO's who are members of AITC itself. This is a £30k scoping project fully funded by HIE, looking at developing new pan-West Coast marine tourism products for 2020 – Scotland's Year of Coasts and Water. An inventory of 150 marine tourism hubs has been undertaken across Argyll and the Isles. AITC is at the heart of this very ambitious project, which has business growth as its primary aim.

3. FOOD AND DRINK PRODUCTION

AQUACULTURE

Our key recommendations for aquaculture were as follows:

PLANNING PROCESS

The planning process for aquaculture should be streamlined to match that of Norway, namely a single application for all three environmental controls, and a one year rather than three year evaluation process. A subsequent government research paper recommended that this is reduced to two years rather than three. However, no action has yet been taken, possibly as a result of increased concern about the sea lice problem. We recommended that the Council and HIE should stay close to senior executives in the aquaculture companies. That they have done. Over the last two years since our report, salmon production fell by 10%, principally as a result of increased production problems. Profits were actually up by 10%, a result of higher prices, and employment also increased by just over 10%. Much of the Industry research, investment and production is focused in Argyll. The sealice problem is a very important one for the industry, and for our native wild salmon and sea trout, as found in the recent Scottish Parliament Environmental report. Major industry investment is being made to solve the problem of sea lice with the use of cleanerfish as a biological control. Marine Harvest has secured consent for a new hatchery for wrasse adjacent to the Institute of Aquaculture's Marine Environmental Research Laboratory (MERL) at Machrihanish, whilst Otter Ferry Seafish is also expanding its production of wrasse. Argyll therefore leads the way in Wrasse production with Otter Ferry and Machrihanish having a production capacity of 1.5 million fish, which equates to 75% of the Scottish industry requirement.

Other major investment sees Scottish Sea Farms starting work at Barcaldine on a £35 million hatchery project.

DIVERSIFICATION

We recommended that diversification of product, and particularly more shellfish, should be encouraged. There has been an expansion of oyster farms in Argyll with three new ones since 2015; and a major expansion of onshore halibut production on Gigha.

There are now 64 active shellfish sites in Argyll and Bute, producing 80% of Scottish oyster production. Farmed shellfish production increased by a very significant 58% from 2015 to 2017.

PRIVATE SECTOR

Again this has shown good expansion, with several new food companies, a significant expansion of production for our distilleries, new gin distilleries on Kintyre, Jura, Colonsay, Mull, and Loch Fyne Ales increasing production by 53% over the last two years. Bute Island Foods continues to expand their range of vegan products, with exports to North America, Canada, and other markets.

FOOD PROCESSING

With respect to the food processing sector, our specific recommendations were:

- A greater focus on food service rather than multiples. It's clear from discussion with retailers in Argyll that this is now happening.
- The potential link with tourism should be exploited. The rise in tourism and demand for local products has indeed improved the market over the last two years and producers have responded positively. The various food and drink tourism initiatives have also worked well, as has the Food from Argyll opening of the café on Oban Pier. Food from Argyll has also increased its membership from 22 to 30 companies over the period, a major advance.
- A meat cutting operation in Argyll. After a false start on Mull, this has still not got off the ground.



4. AGRICULTURE, FISHERIES AND FORESTRY

WOOD PELLET PLANT

Our single recommendation here was that a wood pellet plant be established in Argyll, both to increase employment and to increase the value of forest products in Argyll. Discussions are now underway to establish such a plant, but the outlook is less optimistic today with the fall of government incentives for biofuel use.

Forestry remains an important industry for Argyll. Steps are now being taken to increase training for the skilled – and well paid jobs – in the forestry industry, at UHI Argyll College.

5. YOUTH AND EDUCATION

In 2015, we already saw clear signs of the rise in higher education in Argyll. This is particularly important, not just for the direct employment benefits, but also because studies have shown that if you increase the number of higher education attendees in a town or an area, then you increase the number of them who will stay and live in the area after graduation. We also had several recommendations on schools.

SCHOOLS

We felt that the exposure of school students to local businesses was inadequate. We felt that regular visits by local business people should be organised by school heads, as well as regular employment fairs. The early signs show that this is now taking place at an increasing rate. 26 local companies have set up partnerships with eight Argyll and Bute grammar schools. In this context we particularly applaud the initiative by HIE and Business Gateway to set up Argyll Enterprise Week which has attracted an important attendance.

In our report, we also endorsed the Young Enterprise Scotland scheme. This is now active in most schools in Argyll.

A very important new initiative started in August 2017, Developing Young Workforce Argyll, with two fulltime employees. To date 21 Area Boards have been set up, working closely with the Education sector, to ensure that more businesses become involved with their local schools, and that schools are aware of the opportunities available to school leavers. Various other projects including Inspire Alba (giving young people stories of life and work in Argyll), and a Heritage Qualification for Argyll have also been initiated.

With all this, and the important growth of our key sectors noted above, there should never again be a teacher saying to a pupil “there is no work for you here”! Indeed, one increasing problem in Argyll is the shortage of a skilled, talented and professional workforce coming into our key tourism and food and drink production businesses, as well as other areas requiring skilled workers. The AITC have been actively encouraging the Scottish Government to set up a cross-ministerial department taskforce to tackle this problem.

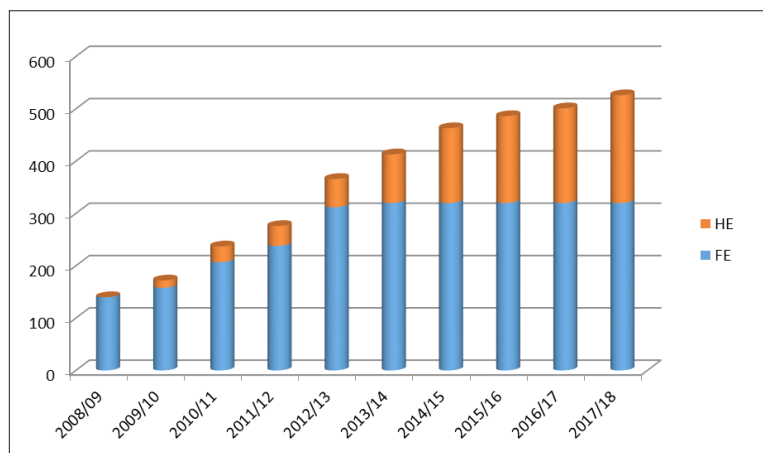
APPRENTICESHIPS

Over the last two years, the number of young people starting modern apprenticeships has increased from 291 to 331, an increase of 13%. Over the last five years, the total has increased from 243 to 331, an increase of 36%.

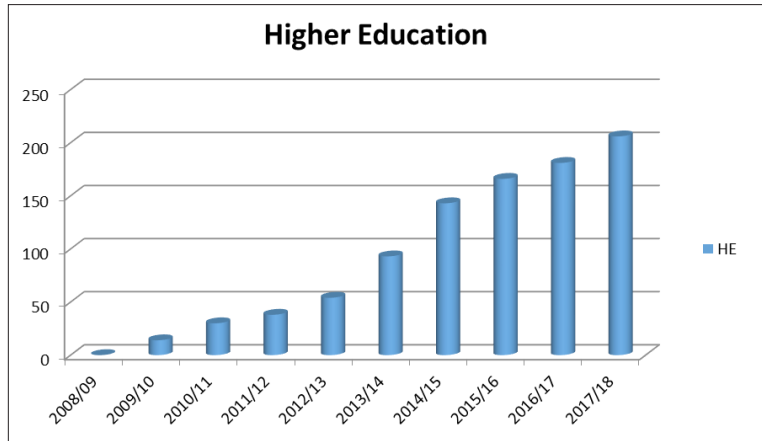
FURTHER EDUCATION AND HIGHER EDUCATION

We recommended that more courses should be geared to employers’ needs and to our sectoral opportunities. Both Argyll College and SAMs have responded very positively to this. Argyll College numbers have now grown as in the following table, and SAMs numbers have grown consistently, with postgraduates up by 25% over the last two years, and undergraduates also up by 25%. Ballet West has also gone from strength to strength; in 2015 there were 83 students and this has increased to 90 in the coming year.

FULL TIME EQUIVALENT NUMBERS OF ARGYLL COLLEGE UHI STUDENTS TO 2017/18



Increase in all Full Time Equivalent (FTE) student numbers at Argyll College over the ten year period from academic year 2008/09 till present.



Increase in Higher Education FTE student numbers at Argyll College over the ten year period from academic year 2008/09 till current.

Source: UHI Argyll College

SAMS STUDENT NUMBERS

POSTGRADUATE NUMBERS	
January 2015	31 current PG students
January 2016	33 current PG students
January 2017	34 current PG students
January 2018	41 current PG students

UNDERGRADUATE NUMBERS	
2014/15	86
2015/16	96
2016/17	106

Source: SAMS

This is a great achievement. It is of particular note that Argyll College now ranks second only to Strathclyde University as a destination for graduates from our various grammar schools. In other words, more and more of our young people are seeking their higher education in Argyll. This is crucial to our reversing the loss of over 18 year olds in our population.

We endorsed the Council's vision of Oban as a University Town and we encouraged the immediate development of student accommodation. The first phase of that is now complete with 22 new rooms; and plans are now in preparation for a further 60 rooms. This is commendable.

In order to stay in touch with students who do go to study outside Argyll, we proposed a regular email newsletter to these with news of activities and job opportunities in Argyll. This has yet to be created, and we would encourage the Council to start it. It could be handled by the existing communications team with minimal additional cost.

6. OTHER AREAS OF OPPORTUNITY

CONSTRUCTION

We recommended that all public sector agencies seek to increase their proportion of contracts going to local firms. Over the last two years, the proportion of such contracts from the Council increased from 34% in 2014/15 to 39% in 2015/16, but dropped back to 25% last year. The nature of the specific contracts can affect this, but the Council (as well as other public agencies such as the NHS and HIE) need to keep up the effort.

SMALL BUSINESS

Argyll's private sector is dominated by small businesses, many showing good growth, and they need encouragement. Specifically, we recommended that the Scottish Government through Business Gateway should seek to solve the urgent problem of lack of funding for small companies. We are glad to report that this has now been done, with Gateway approving some 33 grants in 2017. In addition, Business Gateway supported 104 business start-ups last year, and conducted 154 workshops with nearly 1000 attendees. The John Noble Trust and the Kilfinan Trust have seen an expansion of their loans programme.

MENTORING

We recommended a private sector mentoring group for local businesses. This has begun but has had a slow start.

BUSINESS FORUMS

We encouraged small business leaders to form informal groups – forums – to regularly explore their business issues together. We are aware of one such initiative that is now taking place. However, the annual meetings of the John Noble Trust and Kilfinan Trust small company grant or loan beneficiaries were very well attended in both of the last two years. In addition, the AITC and Business Gateway workshops provide part of this need. I also note that both Oban BIDs and Dunoon BIDs have been recently renewed for a further 5 years following a ballot process.

7. THE BARRIERS

To help these various sectors to develop, and to create the jobs we need in Argyll and Bute, it is very important that we continue to remove any barriers to that growth.

The key barriers we saw to achieving our goals were:

- Mobile and broadband connectivity.
- Affordable housing.
- Transport links.

Solid progress has been made on the first two. Very limited progress has been made on the last one.

MOBILE CONNECTIVITY

We recommended a change to the UK Electronic Communications Code to make mobile phone mast payments to site owners move into line with other infrastructure, thus reducing the cost of running the mobile service in Argyll. We are glad to report that after much lobbying by us and others, the code was indeed changed just before Christmas, 2017.

We recommended that mast heights were changed from 20m to 25m and lobbied the Scottish government accordingly. We are pleased to report that this has now been agreed. In addition, 50m masts may be increased by 15%.

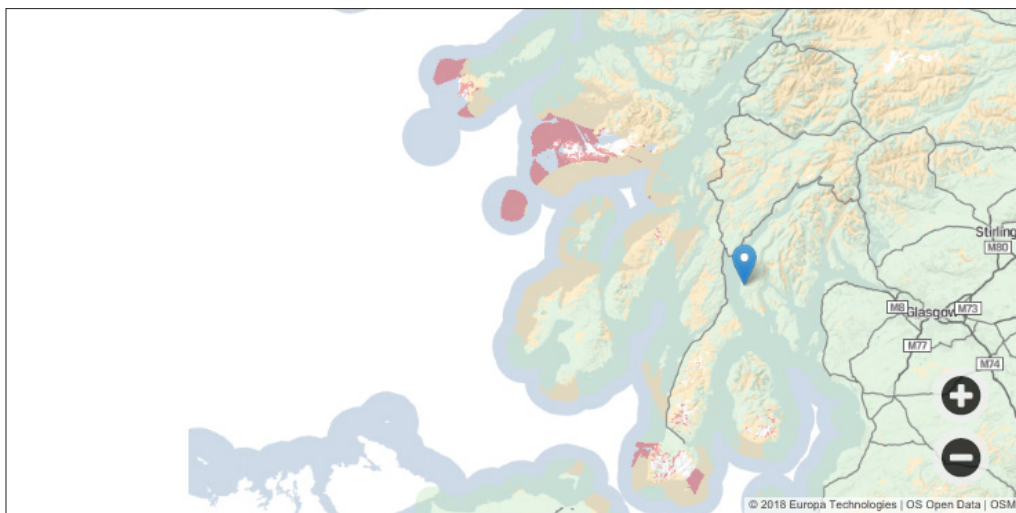
The extension of the emergency mobile phone service has had a major impact on Argyll and Bute. We show below a map showing EE 4G coverage at the time of our report, and EE 4G coverage today. It is clearly an important change, and has been well supported by our MSP and MP. There are still important gaps. The Scottish Government recently announced a £25m project to tackle mobile “notspots” where 4G is inaccessible, and 3 of the 15 new masts will be in Argyll.

EE 4G COVERAGE, FEBRUARY 2016



4G Data Key	
	In green areas you are likely to have sufficient signal to use 4G data services reliably.
	In white areas you are unlikely have sufficient signal to use 4G data services reliably.

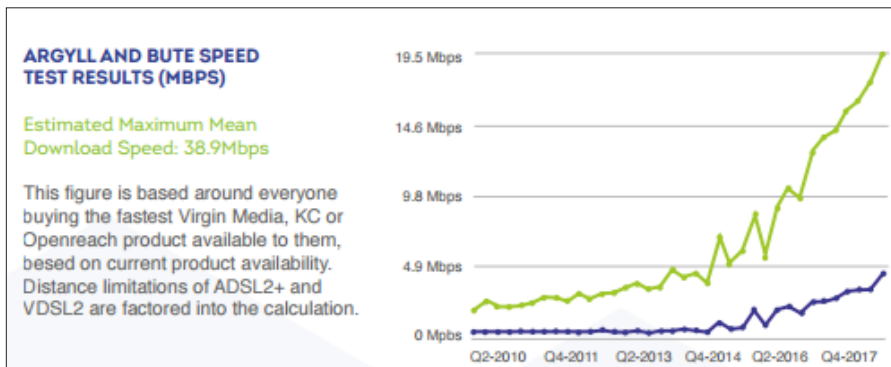
EE 4G COVERAGE, FEBRUARY 2018



Likely to have good coverage	You may experience some problems	Reliable signal unlikely	You should not expect to receive a signal

BROADBAND

The data below shows the current position on broadband coverage. There is still a lot more to do, with a number of areas still having very poor broadband speeds or no connection, but progress has clearly been made. The HIE/Openreach broadband project has advanced, getting the network in place in many areas, with 80% of the population now “having access to a fibre product”. However, there are large areas where access is not available; and getting connected to the network is still far too slow a process. It’s critical that progress continues in this vital area.



Source: HIE

As can be seen, while there is an increase, the average mean download speed is still very low compared to the maximum possible. We know that HIE will continue to put major emphasis on this. The table below shows the areas where services are now live and where rollout is still to come.

<p>AREAS WITH LIVE SERVICES INCLUDE:</p> <p>Achnamara, Appin, Ardentinny, Aros, Balvicar, Barbreak, Benderloch (Ledaig), Bowmore, Campbeltown, Carradale, Clachan, Connel, Craignure, Crinan, Dalmally, Dervaig, Dunoon, Ford, Furnace, Innellan, Inveraray, Jura, Kilchattan Bay, Kilchrenan, Kilmartin, Kilmelford, Kilmore, Kilmun, Lochgilphead, Lochgoilhead, Machrihanish, Minard, Oban, Port Askaig, Port Charlotte, Port Ellen, Rothesay, Scarinish, Southend, Strachur, Tarbert, Taynuilt, Tayvallich, Tighnabruaich, Tobermory and Whitehouse.</p> <hr/> <p>AREAS WITH ROLL-OUT TO COME:</p> <p>Appin, Aros, Arrochar, Bowmore, Campbeltown, Connel, Dalmally, Dervaig, Inveraray, Jura, Kilchrenan, Lochgilphead, Lochgoilhead, Minard, Port Askaig and Port Ellen.</p>
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Source: HIE

AFFORDABLE HOUSING

Affordable housing has increased, as shown in the following table.

ARGYLL AND BUTE AFFORDABLE HOUSING

COMPLETIONS	
2014/15	163
2015/16	52
2016/17	156

Source: Argyll and Bute Council

Plans are in hand for a further 765 homes over the next three years, with funding support from the Scottish Government. Achieving this potential is very important for continued growth in Argyll and Bute.



ROADS

We had two key recommendations:

- The A83 problem needed solving: Argyll must be accessible at all times. With several closures since our report, more work and expenditure has taken place on the Rest and Be Thankful, and we must hope that the “pits” solution will solve the problem.
- We endorsed the recommendations from HIE to upgrade the A816 Lochgilphead to Oban road, and the A8003 from Dunoon to Portavadie. There are no signs of progress on either of these.

The lack of progress on roads, especially given all the other positive growth factors, and in particular the growth of tourism, is still a barrier to our future growth and will become an even greater one. It is urgent that this is addressed by the Scottish government; the Argyll and Bute Council simply do not have the funds for such major infrastructure development.

FERRIES

Forseeing growth, we suggested that CalMac should improve summer timings, capacity and booking facilities. The first and third have taken place, as well as improved berthing facilities by both CalMac and Western Ferries, and a permanent Campbeltown/Ardrossan summer ferry is now in place. However, there has been no capacity increase despite continued increase in user numbers. This summer there were both locals and tourists stuck on Mull, Islay, and even Gigha through lack of summer ferry capacity. Again, as our important industries continue to grow, it is important that the government address this.



AIR

There has been limited progress on regular flight links between Glasgow and Edinburgh and Oban. Loganair no longer works with FlyBe, and delivers the twice daily services themselves between Glasgow and Machrihanish, Islay and Tiree.

FIXED LINKS

To help Bute and Rothesay flourish again we recommended a tunnel or bridge at Colintrave be given serious consideration. There has been some progress, particularly from our MP and MSP, in looking at fixed links. This is clearly an area for more exploration over the next year or so but not at the expense of further improvement of the ferry and port network in the short and medium terms.

8. FOUR TOWNS

Finally, we looked at four of the major towns which deserve particular attention as a result of major decline or stagnation in population. These were Campbeltown, Dunoon, Helensburgh and Rothesay. We are pleased to report that out of these four, considerable progress has been made in the first three.

The people of Campbeltown have an enterprising outlook and there has been a far more positive atmosphere there, especially with the expansion of CS Wind into the offshore towers business. New housing has been built in and around Campbeltown. Dunoon, which had been stagnant, now has the prospect of “the Dunoon Cable Car Project” providing restaurants, mountain biking and ziplines, which would bring a major influx of people and employment into the area. Helensburgh has shown considerable progress over the period, with substantial new housing being built, new restaurants being opened. The role of the Council and HIE in improving the town has been noteworthy.



The one town where we have seen too little progress is Rothesay. There has been growth at Bute Island Food, Bute Fabrics and Mount Stuart, which is encouraging, as is the work on the Pavilion. In our report, we recommended that Rothesay developed a strong vision of what it could be. This has still not been forthcoming. Rothesay, like Dunoon, has the great advantage of being one of the nearest towns to Glasgow and the Central Belt, a huge consumer catchment area. The Dunoon project is a good example of providing a product and service which people from the Central Belt are willing to pay for. While we are encouraged by the investments on the island, Bute still needs a vision, and it is hoped that the Bute Island Alliance, working with the Council, will come up with one.

POPULATION ESTIMATES

The aim of the Economic Forum is to reverse the downward trend in the population of Argyll and Bute. In particular, we wish to see an increase in the 18 to 44 year olds, which is the segment we have been losing in the past.

Two years is too short a time to observe population numbers. The 2020 census data will be the best time to see how we are progressing. However, the early signs, for what they are worth, are at least encouraging:

- ONS population statistics suggest a rise in population numbers from 2015 to 2016 from 86,700 to 87,100.
- Employment statistics show a rise in employed from 37,400 to 38,700 in the last two years.
- Unemployment claims have dropped by 10% from 2015 to 2018.
- Higher and Further Education students have increased by 28% in the last two years.
- And (for the longer term) primary school student numbers rose from 5787 to 5857 over the last two years; which should soon reverse the fall in secondary school numbers.



CONCLUSIONS

Argyll is on the move. It is very heartening to see the amount of progress that has been made over the last two years. There is still a long way to go but the momentum is there. It is clear that the private sector is moving ahead with a wide array of initiatives. A number of these will need continued Council, HIE, FES (Forestry Enterprise Scotland) and Government encouragement and support, including, for example, the Dunoon Cable Car Project. In addition, specific Council and Government focus should be on the following areas:

- Continued support for AITC marketing and promotion.
- Consideration of maximum wind turbine heights in Argyll and Bute.
- Better local maps including access to beaches.
- Continuing support for events and festivals.
- Government to reduce the planning process for new aquaculture developments from three years to two.
- Increased student accommodation in Oban.
- Increased proportion of Council contracts going to local firms and continue to assist Argyll and Bute firms on how to best bid for public sector contracts.
- Continued improvement in mobile connectivity.
- Continued buildout of the Broadband network and increasing access for more remote locations.
- A major focus by the Scottish Government on a comprehensive programme of investment in our road network that is identified in the National Transport Strategy.
- Further investigations of Fixed Links.
- A focus on a vision for Bute.

We will continue to monitor the progress in all these areas. In the meantime, we are off to a great start.

Nicholas Ferguson CBE
Kilfinan, April 2018

PHOTO CREDITS

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