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29<sup>th</sup> April 2026

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**LEADER'S REPORT**

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**1. INTRODUCTION**

- 1.1 The Leader of the Council routinely provides a report outlining their strategic activities for consideration at each meeting of Argyll and Bute Council, except for the annual budget meeting in February.
- 1.2 This report provides an update on the activities of the council Leader, Cllr Jim Lynch, since the last report provided to Council in November and up to 17<sup>th</sup> April 2026.

**2. RECOMMENDATIONS**

- 2.1 Members are asked to consider the report.
- 2.2 Members are asked to note that any reports, briefings or copy correspondence referred to in the report can be requested as appropriate through the Leadership Support Manager, although it should be noted that some confidential reports provided by external organisations such as COSLA may be restricted.

**3. LEADER ACTIVITY 15<sup>th</sup> SEPTEMBER TO 7<sup>TH</sup> NOVEMBER 2025:**

- 3.1 **Youth Voices Showcase, Dunoon – 24<sup>th</sup> November:** I really appreciated the opportunity to join a number of colleagues at the Youth Voices Showcase in Dunoon on 24<sup>th</sup> November last year. This amazing event brought together Youth Action Groups from across Argyll and Bute to highlight what they are doing to strengthen youth voice around the area. It is an approach that is led entirely by young people themselves, including the establishment of the Argyll and Bute Youth Action Council. This Council aims to provide opportunities for young people to engage with decision making and decision makers in their local communities and ensure their voices are heard.

I was really impressed and encouraged by the passion and enthusiasm of the young people I met on the day – and particularly interested to hear about some of the work they've been doing around exploring local democracy and politics.

What the group and council members are doing is really important. The aim is to hold three council meetings a year, alongside ongoing work on identifying local issues from a youth perspective, and to discuss possible solutions which they'll feed back to decision makers. I am looking forward to seeing what more they do and to hearing about their views.

### **3.2 Parliamentary Engagement:**

On 8<sup>th</sup> December, I met with Jackie Baillie MSP in Helensburgh. We enjoyed a very positive and constructive discussion – at the time I had just been in contact with the Secretary of State for Scotland in relation to the impact of the Petronineos closure at Glen Finnart, an issue also close to Jackie's heart, and one on which we were grateful to receive any assistance she was able to provide in pressing Argyll and Bute's case with national government.

I have also been in touch with Jenni Minto MSP on numerous occasions on a range of issues and welcome her willingness to engage regularly with both myself and the Chief Executive. I have also been able to take part in a number of informal meetings with the First Minister, the Deputy First Minister and the Cabinet Secretary for Education and used these opportunities to highlight Argyll and Bute's unique challenges and opportunities, the impact of key issues such as the distribution of Local Growth Funding and, of course, the local government settlement. I will continue to take every opportunity that I can to press our case at all levels.

I am very mindful of the value of positive working relationships with parliamentarians at all levels and in both governments – both those elected directly to represent Argyll and Bute, and those in ministerial roles who have influence over what may happen here. Following the Scottish Parliamentary Elections on 7<sup>th</sup> May, I have a long list of ministers to engage with on a wide range of issues – including but not limited to the A83, ferry and other transport links, major regeneration funding and more. I will report on this activity in an appropriate future Leader's Report but this also links neatly to the following update:

**3.3 Leader Correspondence:** Over the past months I have corresponded with a number of ministers in both the UK and Scottish Governments, summarised below:

Scotland's Space Strategy Refresh: Being the location for the UK's first space port has been a long-held ambition for this Council, with the Machrihanish Airbase (MACC) cited as an ideal site due to its lengthy runway and other factors. There has been over a decade of constructive engagement with the space industry, involvement with several universities, aerospace testing and various other projects with the UK Space Agency. MACC is also proactive in offering space-related educational opportunities. When plans were announced in December last year to relaunch Scotland's Space Strategy, I took the opportunity to write to the then Minister for Business and Employment, Richard Lochhead MSP, reminding him of our strong track record when it comes to Scottish space activity and inviting him to Kintyre to highlight the potential that's possible if the base is given the opportunity to really play a part in the national space scene. I felt it was vital to reiterate to him that MACC has been shortlisted as a testing site for the INVICTUS hypersonic flight test platform – a first for Europe and, if they succeed, an incredible space coup for Scotland. Mr Lochhead had previously indicated his support for MACC's bid and the fact that it is one of just two UK sites shortlisted is testament to the skills and ambition to be a frontrunner in the global space industry. This is an issue on which I will be following up swiftly when a new minister is in place.

Handling of VAT in the Visitor Levy Context: Again in December, I followed up my November correspondence to the Chancellor of the Exchequer, representing what businesses had told us during the Visitor Levy consultation in relation to the impact of VAT handling. I also shared this correspondence with Highlands and Islands parliamentarians, asking them to add their voices to ours in calling for VAT exemptions in the Visitor Levy context.

Freezing conditions on Oban rail service: The Oban to Glasgow rail service is one of a very small number of rail connections located within Argyll and Bute and is a vital link which helps access economic, employment, education and social opportunities for local people as well as contributing to the tourism sector. The freezing conditions on the service have long been the subject of complaints and calls for action. I joined the Policy Lead for Transport, Cllr John Armour, in writing together to the then Cabinet Secretary for Transport, Fiona Hyslop MSP, expressing our willingness to work constructively through, for example, HITRANS and recognising the pressures on all public funding, but reiterating the urgent need for improvement on this key route.

National Islands Plan and inclusion of Mull Fixed Link proposal: The idea of a fixed link between the isle of Mull and the mainland came up some years ago and the community and Council at the time both expressed concerns about this. When the National Islands Plan was published in February, the fixed link proposal was included. I wrote to Mairi Gougeon, then Cabinet Secretary for Rural Affairs, Land Reform and Fiona Hyslop, then Cabinet Secretary for Transport on 27<sup>th</sup> February, pointing out our significant investment in upgrading works at Craignure terminal and also highlighting established community views opposing a fixed link.

Calmac ferry capacity: Issues with the ferry fleet during late March and into April have been well-documented and have inevitably given rise to significant concerns for island communities. Given the level of representation received about this, I wrote to Calmac – highlighting in particular the fact that island communities are keen to work proactively on solutions and expressing the hope that these can be carefully considered given the overall impact.

**3.4 COSLA activity:** I've attended numerous COSLA Leaders meetings from November to March (including Special Leaders meetings called, often at short notice, in relation to the local government settlement and reduction in class contact time) and, while I won't list every single topic covered here, significant discussions included:

- Finance and Distribution
- Scottish Budget 2026/27
- Council Tax Consultation
- Historical Child Abuse Redress Scheme
- Free School Meals Expansion
- Regional Economies
- Flood Risk Management Affordability
- Integration Authority Voting Rights
- National Housing Agency

This period has also seen two COSLA Conferences and Convention meetings taking place, one in November and one in March.

The November in-person conference featured a range of sessions including a presentation from our own Housing Services team on their Worker Accommodation Empty Homes Project and the following:

- Scotland on the World Stage: harnessing opportunities from major sporting events for the benefit of local people and communities.
- Online Life, Localism and Future Generations – how online life is impacting future generations and how local services can and should respond.

- Delivering on the Population Health Framework and Progressing the Collaboration for Health Equity

I attended the March Spring Conference and Convention meeting online and this event included the following discussions:

- The Future of the Public Service Workforce
- Strengthening Local Democracy
- Local Government's Role in Tackling Poverty
- Community Cohesion

While the majority of items are taken in private session, if any member has a particular interest in a subject, I will be happy to arrange a discussion or answer any questions as far as I can.

**3.5 Highlands and Islands Leaders Group (HILG):** I have attended two meetings of HILG since my last report – one on 11<sup>th</sup> December and one on 26<sup>th</sup> February.

These sessions afford an opportunity to come together as Leaders of the Highlands and islands authorities and to strengthen our voice in representation of the unique issues that the region faces.

We consider upcoming COSLA and/or Convention of the Highlands and Islands agenda items, looking particularly from the Highlands and Islands perspective and how/what best to feed in to ensure that is taken into consideration. We have also taken to HILG the *Manifesto for Rural Change* which was considered by this Council in September last year and which lists specific key interventions to deliver change and success; doing so to widen the scope out and to look towards what may be possible from a regional perspective.

At our February meeting discussions included digital education, island and local representation on national and regional bodies and coastal resilience. We also considered the matter of how best to foster positive relationships with the UK Government given the Local Growth Funding position (covered elsewhere), the non-renewal of the UK Islands Forum and other more localised issues which still have a regional impact.

We have a range of issues to pick up at our next meeting in May which will also include next steps with parliamentarians in both governments and following the Scottish Parliament Election on 7<sup>th</sup> May.

**3.6 Local Growth Funding:** Argyll and Bute, along with all other Highlands and islands local authority areas, received no allocation from the UK Government's £140m Local Growth Fund, launched on 8<sup>th</sup> January.

Immediately following the fund launch on 8<sup>th</sup> January, I joined other council leaders across the region in calling publicly for the UK Government to rethink its position. The Highlands and islands make significant contributions to national priorities. This must be recognised and reflected in the approach to funding.

It is well documented that living costs in remote, rural and island communities are much higher than those in urban areas, with fuel poverty a particular issue. Despite this, Highlands and islands communities are still able to make massive contributions to Treasury coffers through food and drink exports, as well as boosting the national tourism economy in particular.

The £140m fund, launched on 8<sup>th</sup> January, is said to be designed to drive growth and boost living standards, and is part of the replacement funding scheme for the former UK Shared Prosperity Fund for which final awards were made last year. However, with the approach to allocation, the entire Highlands and islands region is missing out on much-needed funding which has previously supported employability and skills development and provision of community spaces and sports facilities, among other projects.

Given all of our endeavours on population and economic growth, and efforts to see our communities move from surviving to thriving, it is very disappointing that the very real need to boost growth and prosperity in Argyll and Bute has seemingly been ignored. Over the past few years, the UK Shared Prosperity funding has helped us to deliver key interventions which support that overarching goal. Missing out on the funding programme which replaces it is therefore deeply concerning, worrying and frankly unfair.

In my capacity as Vice Chair of the Highlands and Islands Regional Economic Partnership (HIREP) I have written to the Secretary of State for Scotland asking for the funding distribution approach to be reconsidered and transitional arrangements put in place to mitigate the impact meantime. We had also asked for a meeting with the Secretary of State given the implications for the region. Colleagues will recall a report to our Environment, Development and Infrastructure Committee in March this year, at which meeting an update was provided on the Secretary of State's

response. This response did seek to explain the government's rationale for the distribution mechanism but also indicated that a meeting would not be possible. In partnership with the Leader of the Opposition, and in fulfilment of the Committee's decision, further correspondence has been sent to the Secretary of State and we will continue to press hard on this issue along with our colleagues across the wider region.

### **3.7 Housing and Economic Growth - general update:**

Next steps for Dunbeg development: At the beginning of April, planning permission was granted to Link Group for the construction of 433 new homes at Dunbeg (Phase 4).

The consent allows the development of 269 affordable homes covering social rent (148 homes), mid-market rent (48 homes), New Supply Shared Equity (40 homes), Elderly Living (33 homes – 17 social rent and 16 New Supply Shared Equity) and Purpose-Built Student Accommodation (62 bedspaces), as well as a Planning in Principle consent for 133 homes for private market sale.

Planning in Principle is also available for the initial phase of the proposed Commercial Zone, which can deliver a mixture of uses such as retail, food outlets, hotel and restaurant which will ensure vibrant and accessible amenities for the local community and those travelling to and from Oban.

Housing: The overall Housing Need and Demand Assessment (HNDA) process is making good progress. The Argyll and Bute wide household survey has now closed with over 3,000 responses. Technical papers are now being worked up and we await the HNDA toolkit from the Scottish Government – the intention is to submit the HNDA for approval in June 26.

The young person and employment survey has now closed with over 500 responses. Over 80 of the young people have agreed to a more detailed follow up discussion. There is a mix of scenarios – young people living in Argyll, young people living out with Argyll who want to return and some young people who have left the area and are not intending to return. Work is ongoing on a final report following the survey.

In addition, work is being carried out to gauge the demand for Mid Market Rent (MMR) across the local authority area and a meeting with the Scottish Government and the RSL to discuss next stages has taken place along with some discussions with the Scottish Futures Trust. We have also met with Highland Council to learn from their experiences of delivering MMR.

Strategic Housing Investment Programme (SHIP) Meetings took place with Housing Associations and the Scottish Government in January 2026. The Council is still receiving expressions of interest through the buy back

scheme. Two properties have recently been purchased by ACHA in Oban – one will be allocated to a statutory homeless household and the other property will be used by the Council as homeless temporary accommodation.

A number of grant approvals have been issued by the Scottish Government including Dunbeg Phase 4 and the grant for the demolition of the Lower Academy Building in Rothesay. This will take the Resource Planning Assumption spend to around £13 million for 25/26.

A visit to Coll took place on 25th March which included meetings with the Council and the Development Officer as well as a visit to the potential ACHA housing site and the NHS properties recently brought back into use in Arinagour.

Economic Strategy Action Plan, 2025-2028: There is continued focus on the delivery of the short-term actions in the revised Economic Strategy Action Plan (ESAP), 2025-2028. In-person workshops with officers and partners will take place in late April and May to assess the achievements aligned to SMART actions by the end of 2025/26 and to prepare a revised economic strategy action plan for 2026-2029, subject to approval by the EDI Committee, as follows.

The Shadow Visitor Levy Forum (SVLF), with the extended industry membership, met on 6th and 17th March with a focus on local exemptions, financial modelling and spend of visitor levy revenue, if approved. A Visitor Levy update report features on the agenda for April Council, which will include some recommendations for elected member consideration on local exemptions and financial models.

Population: A further report on the actions taken and proposed actions to encourage population retention and growth by the Settlement Project Support Officer, Economic Growth, was presented for discussion at the Environment, Development and Infrastructure Committee on 19th March 2026. The Settlement Project Support Officer is completing a series of interviews with Community Councils within Repopulation Zones to understand perceptions surrounding barriers and opportunities for population retention and growth. Enquiries from prospective residents are being processed. A further report will be taken to the Environment, Development and Infrastructure Committee in December 2026. The Scottish Government has confirmed its match funding for the Settlement Project Support Officer, Economic Growth, for 2026/27.

**3.8 Rural Growth Deal Progress:** I was delighted to join officers from the Rural Growth Deal Programme Office in Paisley on 12<sup>th</sup> March for the UK Government's announcement of £5 million funding for the development of a Clyde Engineering and Innovation Centre.



*With Jonathan Welch, Rural Growth Deal Programme Manager*

The Centre (CEIC) is intended to deliver modern commercial accommodation and collaborative space for defence supply chain businesses, enabling innovation, job creation, and local economic growth.

This is a significant investment in Argyll and Bute, and in Helensburgh and Lomond in particular. It has been said many times that we have extensive potential for economic growth but require funding and investment to turn that possibility into reality and, in turn, real benefits not only for local people and communities but to contribute to national priorities.

The CEIC project is part of our Rural Growth Deal which is based on seven investment themes:

- Tourism – Creating a World Class Visitor Destination
- Creating a Low Carbon Economy
- Rural Skills Accelerator Programme
- Housing to Attract Economic Growth
- Clyde Engineering and Innovation Cluster
- West Coast UAV Logistics and Training Hub
- Marine Aquaculture Programme

**3.9 Cost of Living Support and Financial Inclusion and Advice Group (FIAG):** I co-chair this group which brings together a wide range of services and external partners to focus on ways to provide direct support to those who need it. Last year, our Welfare Rights team brought in almost £5.5m in income – and in the first three months of this year alone, almost £1m has been secured, with 576 people referred to the service for assistance.

The Council has current and planned activity to support households affected by cost-of-living pressures and those activities will be relevant to rising fuel costs linked to the Middle East crisis. There is a combination of local and national measures in place or emerging, including:

- At a national level, the Scottish Government has received £4.6 million in consequential from the UK Government, specifically related to fuel cost pressures. This is intended to support households in hardship, particularly those off the gas grid and reliant on heating oil or expensive electric heating. The Scottish Government is currently engaging with the Fuel Poverty Advisory Panel, and it is anticipated that a support scheme will be announced shortly.
- Since early January, with support from ALIEnergy, we have been issuing fuel vouchers to low-income families in island communities through the Island Cost Crisis Emergency Fund. This has provided immediate targeted support, although the current fund ended on 31 March.
- The Flexible Food and Fuel Fund continues to operate across Argyll and Bute and is now transitioning into the new “Connected for Good” project, delivered with ALIEnergy and Bute Advice Centre. This provides a more holistic approach including income maximisation, money and debt advice, fuel poverty support, preloved school clothing initiatives, enhanced data matching, and proactive identification of households at risk of poverty, helping both immediate need and longer-term resilience.

An application to the National Lottery Community Fund has received positive initial feedback and is progressing toward full consideration.

In parallel, engagement continues with the Scottish Fuel Poverty Advisory Panel, particularly in relation to island communities and heating cost pressures.

At the time of concluding this report, on 16<sup>th</sup> April, I had the opportunity to meet with Peter Kelly, Chief Executive and David Reilly, Community and Networks Manager, from the Poverty Alliance – Taking Action on Rural Poverty. This was a really positive discussion which gave us an opportunity to hear about their emerging findings on the rural poverty premium and legacy planning ahead of their programme conclusion in September this year. We will be having further discussions, I am sure, and our officers work closely with Peter and his team.

- 3.10 And finally...:** I don't often – in fact, I never - get the chance to attend internationally acclaimed film premieres. However, in December, I had the opportunity to do just that, and what made it extra special is the fact that it featured the stories of some of our refugee families who have settled in Argyll and Bute thanks to the support of our Resettlement team.



*With some of the staff involved in the partnership approach to resettlement, and the Lord-Lieutenant of Argyll and Bute Mrs Jane MacLeod, Depute Provost Jan Brown and Bute and Cowal Area Chair Cllr Reeni Kennedy-Boyle, in the Discovery Centre, Bute (photo credit: Eve McArthur)*

*An Argyll and Bute Welcome* is a powerful documentary sharing the stories of people who have rebuilt their lives in Argyll and Bute after fleeing conflict. Over the past ten years, families from countries including Syria, Ukraine, Sudan and Afghanistan have made Argyll and Bute their home. The short film, made by local filmmakers AyeGlas, tells their stories, shows how a community can help people feel safe and belong, and become important parts of day-to-day life in their new home.

Local screenings have also taken place around Argyll and Bute and the film is so good that I went to see it twice – at the premiere in Bute in December and again at the Rockfield Centre in Oban. Everyone I've spoken to who's seen the film has agreed that it is absolutely wonderful, heart-warming and incredibly inspiring – not least because it features the voices of refugees themselves telling their own stories, including the hardships they've faced and the appreciation they have for their new homes, communities and friends here in Argyll and Bute.

If you've not yet seen the film, you can find it on the Council's YouTube channel at [An Argyll and Bute Welcome](#).

#### **4. CONCLUSION**

- 4.1** This report highlights the activities of the Leader of Argyll and Bute Council for the period November 2025 to 17<sup>th</sup> April 2026.

**Councillor Jim Lynch**  
**Leader, Argyll and Bute Council**

**17<sup>th</sup> April 2026**

**For further information please contact Aileen McNicol, Leadership Support and Member Services Manager, telephone 01546 604014 or email [aileen.mcnicol@argyll-bute.gov.uk](mailto:aileen.mcnicol@argyll-bute.gov.uk)**