

RURAL GROWTH DEAL

Progress Update September 2022 – (Update No 3)

Welcome to our update

Welcome to the third edition of Argyll and Bute Council's Rural Growth Deal (RGD) quarterly update. Our £70 million Rural Growth Deal is about turning economic potential into a successful future for Argyll and Bute. It is about investing in initiatives that will turn the area's fantastic natural resources and business innovation into a thriving local economy.

Progress to date

February 2021 – Heads of Terms agreed with Scottish and UK Governments

October 2021 – recruitment of Programme Management Office complete.

January 2022 – Stantec appointed as consultants to progress project business cases and Levelling Up Fund Bids

August 2022 – Levelling Up Bids submitted and programme of business case work developed with Stantec and Government.

Individual project updates

- **Marine Aquaculture Programme:**
 - Consists of 3 projects:
 - UHI Argyll College Marine Industry Training Centre (MITC);
 - SAMS International Seaweed and Shellfish Industry R&D Centre;
 - Stirling University Machrihanish Innovation Campus.
 - Due to the impact of inflation, UHI Argyll College are undertaking a short re-appraisal of options for the MITC to ensure that RGD funding can be maximised. It is still hoped that the draft OBC will be submitted to Government in the next quarter.
 - SAMS is undertaking options appraisal work and recently secured funding via the UK Governments Community Renewal Fund. EKOS have been appointed to support SAMS with business case development, starting this month.
 - Stirling University gave an update on The National Aquaculture Technology and Innovation Hub which is being delivered through the Stirling and Clackmannanshire Growth Deal. This presentation provided good feedback on experience and lessons learned through this project, to date, and the process Stirling University will take to develop their Business Case for the MERL facility.
 - Blue Economy workshop between HIE, Argyll and Bute Council, North Ayrshire Council and University of Stirling being arranged to encourage opportunities for collaboration, identify synergies and key milestones.

- **Creating a World Class Visitor Destination:**
- Priority locations have been identified:
 - Dunoon
 - Rothesay
 - Helensburgh (Wooden Pier)
 - Ardrishaig/Crinan Canal Corridor
 - Campbeltown – Kintyre Seasports
- Levelling Up Fund bids were submitted in August which have clear synergies with Growth Deal place based regeneration projects focusing on the towns of Rothesay and Dunoon.
- Next steps will be to work with stakeholders and Stantec to begin options appraisal work for each location (excluding Campbeltown). This will include a programme of stakeholder engagement.
- Kintyre Seasports are working with Crown Estates Scotland to access funding via the Boat Based Tourism fund and a meeting has been set up with KSS, CES and the RGD Team. Planning Permission has now been agreed for the facility in Campbeltown. Further information is available at: [Kintyre Seasports Concept Design](#)

Photo 1: Visualisation of Kintyre Seasports Facility:



- **Islay Low Carbon Economy:**
- Natural Power consultancy have been commissioned to undertake options appraisal work for the Rural Growth Deal.
- Meeting held with SSEN to discuss voltage restrictions which impact the options available for RGD funding. SSEN are investigating further before reporting back to the stakeholder group and Natural Power.

- Work is ongoing to identify synergies and opportunities for collaboration with the Carbon Neutral Islands programme.
- **Rural Skills Accelerator Programme:**
- The RSAP has three component parts:
 - STEM Hubs (physical, outreach & mobile)
 - Argyll College UHI built environment in Dunoon
 - Business Skills
- The STEM hub at Hill Street, Dunoon is moving forward with detailed design work now in process. The identified preferred option now includes an outdoor classroom, in addition to space for an immersive classroom, cyber escape room, simulator space, laboratory and collaborative learning spaces.
- Awaiting the outcome of UHI Argyll College's curriculum work, funded by the UK Community Renewal Fund. This work will influence the direction for the project on the college's estate in Dunoon.

Photo 2: Example Immersive Classroom



- **Housing to Attract Economic Growth:**
- Stantec have now completed Site Investigation Studies for the identified sites on Islay and Mull
- Discussions remain ongoing with Roads & Infrastructure on their requirements for a new depot at Gartbreck, Islay.
- Work continues on identifying the most appropriate delivery model for delivering housing for affordable sale. Legal Services have now advised that Argyll and Bute Council will need to apply to being a registered 'Rural Housing Body' in order to have the legal authority to apply Rural Housing Burdens.

- **Clyde Engineering and Innovation Cluster:**
 - Gillian Cay has taken over as Scottish Enterprise Project Lead, following Teresa Correia's retirement in July 2022.
 - The landowner of the Colgrain site has submitted a planning application to enlarge the area of current consent. This will offer greater flexibility for future development options on the site.
 - Stantec are working with Scottish Enterprise, the MOD and the Base industrial partners to assess the demand for the site. 1-2-1 meetings with base industrial partners are ongoing, with a workshop organised for September.

- **West Coast Aviation, UAV, Robotics and Compliance Hub:**
 - A full detailed planning application has been submitted for the site at Oban Airport.
 - Further proof of concept trials have taken place, with a trial delivery of school meals, which received widespread media coverage. [BBC News - School meal drone delivery trialled in Scotland](#)

Photo 3: Visualisation of Drone Hub



Photo 4: Visualisation of Drone Hub Interior



Priorities for the next quarter

Stakeholder engagement – working with project leads, Stantec and relevant stakeholders, to undertake further engagement activity to develop project options as part of the business case process.

Submission of OBCs - the first OBCs should be submitted to Government for first review and feedback. It is expected that several iterations of business cases will be required.

Full Deal Documentation – the following documentation will be drafted and submitted to Government for approval:

- Implementation Plan;
- Governance Plan;
- Financial Plan;
- Communications Plan;
- Full Deal Agreement.

For further information, please contact the following staff:

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