

# RURAL GROWTH DEAL

Progress Update — May 2023 – (Update No 5)

## Welcome to our update

Welcome to the fifth 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

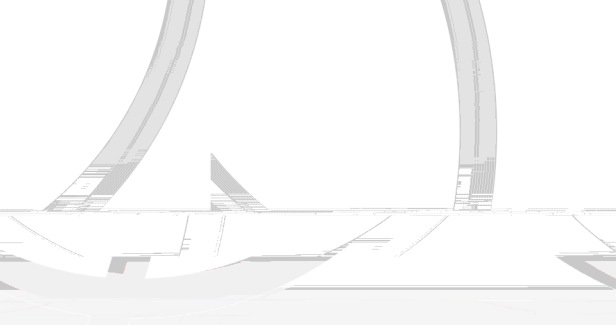
March 2023 – Kintyre Seaports OBC submitted to Government for first review

April 2023 – UHI Argyll Marine Industry Training Centre OBC submitted to Government for first review

## Programme Management Office Update:

Financial Profile – drafting of the Financial Profile has continued. Government have provided feedback and the Profile remains under review as Projects are developed.

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Council. The purpose of this engagement was to get feedback on options for project delivery in Rothesay. The preferred option from the survey was the completion of Rothesay Pavilion with 71% of those completing the online survey recording this as the highest priority for Rothesay. The second highest priority was the redevelopment of the Albert Pier, with Guildford Square and Marine Gateway Enhancements being seen as less of a priority.

- o Islay Low Carbon Economy:
- o Stantec and stakeholders continue to work on the investment objectives for this project and work up the OBC.
- o It is likely that the Project will focus on the delivery of domestic home energy efficiency measures, with a focus on renewables and reducing fuel poverty and there is ongoing work to identify the best delivery models for such a scheme. This includes engagement with Home Energy Scotland, Historic Environment Scotland and BE-ST.
- o A stakeholder group for Islay based organisations has been created to ensure that Islay residents are able to feed into the project development process.
- x Rural Skills Accelerator Programme:  
The Rural Skills Accelerator Programme (RSAP) has three component parts:
  - x STEM Hubs (physical, outreach and mobile);
  - x Business Skills; and
  - x UHI Argyll built environment in Dunoon.

The progress of these RSAP elements is as follows:

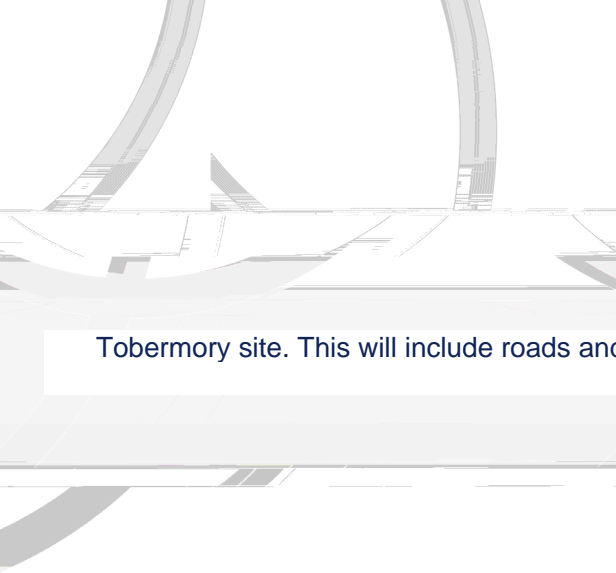
- x STEM Hubs: it is proposed to have one in the south and one in the north of Argyll and Bute to create two state-of-the-art facilities. Due to receipt of match funding, work has advanced to take forward the repurposing of the council owned Hill Street building, to create a Dunoon Community STEM Hub in the south. With planning permission and a building warrant in place, the Stage 1 construction works tender for the Dunoon facility was published on 11<sup>th</sup> May 2023. Discussions

continue on the location of a STEM Hub in the north of the region, but is it proposed that this will be in the Oban area, with a particular focus on a facility at SAMS. The exact location will be determined through the business case appraisal of options. To be finalised early June 2023.

- x Business Skills: it has been agreed that the Business Skills element will be led by Highlands and Islands Enterprise (HIE) for delivery in the first/second year of the RSAP, with a focus on business leadership, to align and complement the UK Shared Prosperity Fund Investment Plan business support programme to be delivered by Business Gateway until the end of March 2025.
- x UHI Argyll : there are now seven potential options to be appraised through the business case process for the Dunoon college estate. This work will be taken forward early June 2023.

It is hoped that an Outline Business Case for the overarching RSAP will be prepared by the end of June 2023 and submitted to government(s) for comment.

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