

£70 million Argyll & Bute Rural Growth Deal agreed

A landmark investment deal to boost economic growth across Argyll and Bute was agreed at a virtual signing event today (11 Feb 2021).

UK Government Minister for Scotland, Iain Stewart, joined Scottish Government Cabinet Secretary for Transport, Infrastructure and Connectivity, Michael Matheson, and Argyll and Bute Council Leader, Councillor Robin Currie, to sign the [Heads of Terms](#) for the £70 million Rural Growth Deal.

The deal comprises £25 million each from the Scottish and UK governments, and at least £20 million from Argyll and Bute Council and partners. This will be used to create opportunities for people living in the region and attract further investment.

The [Heads of Terms document](#) sets out the themes for the 10 – 15 year programme of investment. Aquaculture, tourism, housing, digital connectivity and skills for a rural economy are among the sectors set for development.

UK Government Minister Iain Stewart said:

This is an important milestone for the Argyll and Bute Rural Growth Deal which will play a vital role in building back better from COVID-19.

These innovative and ambitious plans will unlock jobs, opportunities and sustainable growth for communities throughout the region.

The UK Government has committed more than £1.5 billion to growth deals across Scotland to secure our future prosperity.

The proposals, all of which are subject to approval of full business cases, will take advantage of existing regional strengths in tourism, food and farming, distilling and defence, and invest up £70 million in:

- Aquaculture: to develop the area as an international centre for excellence and create a marine industry training centre to support the growth of marine sectors
- Tourism: to develop the area as a West of Scotland “must visit” location for the maritime leisure market
- Low carbon economy: to deliver more sustainable local energy systems on Islay
- Skills: to support growth and work opportunities for rural communities
- Housing: to attract economic growth and provide affordable housing
- Clyde engineering and innovation cluster: to address the lack of commercial accommodation for supply services to Ministry of Defence

facilities

- Unmanned Aerial Vehicles hub at Oban Airport: to deliver the UK's first dedicated drone training centre with indoor facilities
- Digital connectivity

These will also build on the opportunities represented by other UK Government investments in the region, including:

- The consolidation of the submarine fleet at HMNB Clyde by spreading the economic benefits across the region
- The UK Government's Green Distilling Fund by supporting green energy solutions for Islay
- The UK Government's existing City Region Deal investment at the National Aquaculture Centre at Stirling University by supporting further facilities at Machrihanish

The next stage is for the council and its partners to develop outline business cases that will set out the details of the projects for delivery.