

Outcomes 2024/25

Enabling growth in Oban – the Argyll & Bute TIF extension

Background

Launched in 2014, the Argyll & Bute Tax Incremental Financing (TIF) initiative was envisioned as a catalyst for strategic infrastructure investment across Oban and its surrounding areas. The project, part of Scotland's broader commitment to support economic growth through innovative funding, has delivered key enabling infrastructure over the past decade.

However, shifting market conditions, changes in strategic focus, and the far-reaching impacts of the COVID-19 pandemic prompted Argyll & Bute Council to reassess how its TIF programme could most effectively deliver long-term outcomes for the region.

Turning challenge into opportunity

In response to this changing landscape, the Council revised the basis of the TIF with Scottish Government approving an extension of the TIF lifespan by an additional 10 years. This critical decision enables the Council and its partners to reframe their ambitions, unlocking further infrastructure investments and accelerating economic development across the wider Oban area.

Two key development projects underway

1. Business park development at Oban Airport

At the heart of the refreshed TIF programme is the development of the new business park at Oban Airport. The initial phase involves the construction of two commercial buildings, with the first scheduled for completion by early 2026.

PRIMARY
OUTCOME



2

Improved coherence, pace and placemaking across major development



CORPORATE
PRIORITIES



NET
ZERO



SUSTAINABLE
PLACES



INCLUSIVE
GROWTH

The business park is strategically positioned to attract investment from aviation, engineering, and logistics sectors, industries that align with Oban's geographical strengths. The development is already generating interest from potential tenants, promising to drive job creation and long-term economic resilience for the region.

2. Housing and infrastructure expansion at Dunbeg

Another major development focuses on the growing village of Dunbeg. Plans are progressing to deliver the Halfway House Roundabout in conjunction with the next phase of residential and commercial expansion.



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This ambitious project includes:

- Over 400 new homes to help address the local housing emergency
- A new commercial hub adjacent to the A85
- A secondary access route into the village to improve traffic flow
- Enhanced active travel routes for better accessibility
- Support for the local marine and science industry
- Improved visitor experience

Together, these enhancements are expected to inject between £50-£179m into the local economy, transforming Dunbeg into a dynamic hub for living, working, and innovation.

Strategic collaboration and programme support

Our Place, Housing and Economic Investment team that manages the TIF programme on behalf of Scottish Government, has played a key role in helping reshape and support the programme. The team's recent efforts have included adapting project timelines, enabling new interventions, and collaborating with Ministers and local stakeholders to secure necessary approvals.

Leadership perspective

Councillor Jim Lynch, Leader of Argyll & Bute Council, remarked: *"This extension reflects the economic headwinds in recent years that have resulted in a slower pace of development. The extension is great news for our communities, and will help to create jobs and bring private sector investment to the Oban and area."*

Looking ahead

With the TIF extension now in place, Argyll & Bute is poised to build on its early infrastructure gains, transforming Oban into a more connected, economically vibrant, and sustainable community. These projects are now firmly on the path to delivery, helping ensure the region remains competitive, liveable, and full of opportunity for generations to come.