

## News Front Page



Africa

Americas

Asia-Pacific

Europe

Middle East

South Asia

UK

England

Northern Ireland

Scotland

Wales

UK Politics

Education

Magazine

Business

Health

Science &amp; Environment

Technology

Entertainment

Also in the news

Video and Audio

Programmes

Have Your Say

In Pictures

Country Profiles

Special Reports

Page last updated at 11:34 GMT, Monday, 26 October 2009

✉ E-mail this to a friend

🖨️ Printable version

## Hotel funding 'sign for optimism'

**A public body's decision to invest £1.12m in two hotels in Argyll was a sign for optimism amid a recession, the Scottish government has said.**

Highlands and Islands Enterprise (HIE) has approved funding for the Ugadale Hotel in Machrihanish and Campbeltown's Royal Hotel restoration projects.

Finance Secretary John Swinney told the Convention of the Highlands and Islands the move supported Scotland's recovery.

Massachusetts-based Southworth Development is upgrading the hotels.

The funding package approved by HIE includes £744,000 from the European Regional Development Fund.

The convention, which includes representatives from government and councils from the Highlands and Islands, has been meeting in Dunoon.

Mr Swinney said: "While we cannot be complacent, today's announcement from Highlands and Islands Enterprise of support for Argyll tourism through approved investment in hotels in Machrihanish and Campbeltown, shows new projects are still going ahead and that there are reasons to be optimistic about Scotland's recovery."

He also called for greater flexibility in how UK government funding for Scotland can be spent to further help the Highlands and Islands economy.



HIE has approved a £1.12m package for the hotels