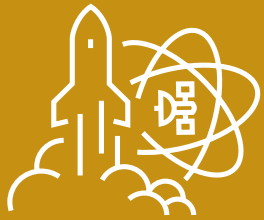


AYRSHIRE GROWTH DEAL

Annual Report
October 2022 - March 2024

Working together for a successful, fair and inclusive Ayrshire economy



Our Vision is for Ayrshire to be 'a vibrant, outward looking, confident region, attractive to investors and visitors, making a major contribution to Scotland's growth and local well-being, and leading the implementation of digital technologies and the next generation of manufacturing.'



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Forewords

This is the fifth year of the Ayrshire Growth Deal. The Growth Deal represents a £251.5 million opportunity to transform communities across Ayrshire, both business and residential. The Deal seeks to build on the particular strengths found in Ayrshire, such as in aerospace, engineering, life sciences, manufacturing and tourism. Targeted investment from the Growth Deal across these key sectors and strategic locations is starting to deliver real change and will act as a powerful catalyst, stimulating growth and resulting in increased prosperity for local people, for Scotland and for the UK as a whole.

We continue to deliver a range of projects with a clear focus on strengthening innovation, productivity and addressing inequality. This year has seen good progress on creating new business spaces, improving infrastructure and connectivity, as well as creating the groundwork for research and development ventures. A big focus has been on growing local talent and providing new opportunities and routes into employment for local people.

Projects that are off the ground and gaining momentum are: Community Wealth Building, Ayrshire Skills Investment Fund, Working for a Healthy Economy i3 Digital Process Manufacturing Centre and i3 Flexible Business Space. Projects that are set to commence delivery phases in the next year are: Ayrshire Manufacturing Investment Corridor, Ayrshire Engineering Park,

Great Harbour (Coastal Hub), and CoRE (Community Renewable Energy). The report will give dedicated insight to each project.

The challenges of the global economy, the Russia-Ukraine conflict and the lingering effects of both the Covid pandemic and Brexit have continued to create an environment of uncertainty and revaluation. This has been reflected in cost increases that have impacted upon the viability and deliverability of many of the Growth Deal projects. In response, the Partnership took the prudent decision to reassess the Programme through a comprehensive Review. This process commenced in October 2023. In consultation with the Government, this Review is nearing completion, and once finalised will provide greater certainty and confidence in the shape of the Deal moving forward. We believe that in spite of challenging circumstances, great progress has been made across the region, with projects progressing and moving forward from development phases to delivery.

The year ahead provides an opportunity to build on the momentum gained in the development and delivery of projects. Successful management and implementation of the programme will draw upon the skills and experience of the partnership to adapt and respond positively to these challenges so that the Deal achieves its ultimate aim of delivering an inclusive economy for Ayrshire that benefits all.



Cllr Douglas Reid
Leader of East Ayrshire Council



Cllr Marie Burns
Leader of North Ayrshire Council



Cllr Martin Dowey
Leader of South Ayrshire Council

Key Achievements



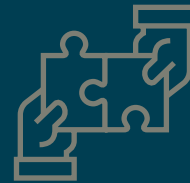
£26.4m of total commitment to additional investment projected.



4100 residents supported through Working for a Healthy Economy



17m private sector investment



1152 organisations supported with CWB



£16.3m invested from UK and Scottish Governments

Key Achievements



1487 jobs supported



247 new enterprises supported



9.87ha development space unlocked



10 Outline Business Cases completed



7 Full Business Cases completed



6 projects in delivery



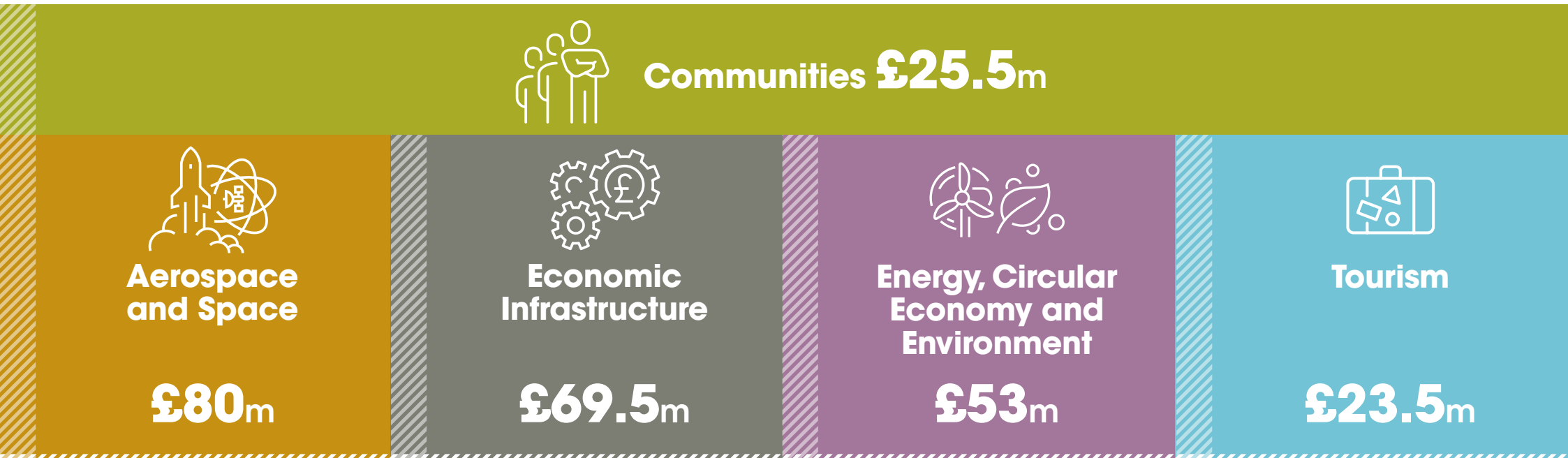
1 project complete

Ayrshire Growth Deal Overview

The Ayrshire Growth Deal (AGD) is a £251.5 million, ten-year programme aimed at matching business growth opportunities to employment progression, developing the future workforce and community development. It is one delivery mechanism to achieve the region's economic vision, and is the most significant regional investment that Ayrshire has received in many years. At the highest level, the programme is focussed on the achievement of economic growth and inclusive growth, with a clear focus on increasing innovation and productivity, while reducing inequality across the region.

The AGD Partnership is being driven forward by the Scottish Government, the UK Government and East, North and South Ayrshire Councils. The Deal presents a unique opportunity to strengthen the Ayrshire, Scottish and UK economies. Targeted, co-ordinated investment throughout the region acts as a powerful catalyst to stimulate growth, resulting in increased job opportunities and prosperity for Ayrshire, for Scotland and for the UK as a whole. The Deal is projected to unlock private investment of at least £300 million and generate 7,000 jobs. This year's annual report summarises progress for the past 18 months of the programme, from 1 October 2022 to March 2024, with the exception of benefits realisation statistics shared in Section 6, which shows accumulative figures from the start of the programme October 2021 to March 2024.

The AGD is based around five themes:

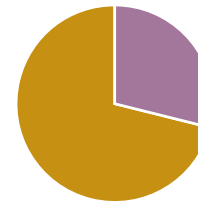
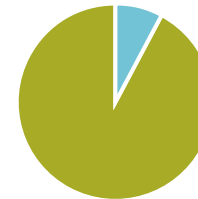


Financial Statement

As shown in the charts below, over £16m (8%) of the overall budget committed by Governments has been claimed to the end of March 2024. Total partner spend from North, East and South Ayrshire Councils is currently at almost £13m, 29% of the overall committed Partner spend projections. Although this actual spend is less than anticipated for Year 5, projects are on track to increase spend. This is due to the momentum built up, resulting over the next year projects embarking on delivery stages. This is set to enable on track spending for Year 6 (25/26).

Programme Expenditure to date		
Total Government Grant claimed to date	£16,339,160	8%
Total Government Grant still to be claimed	£189,660,840	92%

Total Partner spend to date		
Total Partner spend to date	£12,980,770	29%
Total uncommitted Partner spend to date	£32,519,230	71%



This most recent financial year (2023/24), the Deal has received £20.3 million in committed capital leverage and £6.1 million in committed revenue leverage. This has come about due to the proactive work of Partners to provide the right conditions to attract outside investment and willingness to collaborate for the benefit of delivering objectives of the Deal. To reach the Deals original ambitions, efforts are being amplified in the development and delivery of the capital projects aiming to attract the most substantial private investment specifically in Energy, Circular Economy and Environment and Infrastructure themes.



Financial Statement

A summary of the Ayrshire Growth Deal investment breakdown as of end of March 24, for the ten-year programme, is shown in table 1 below:

Table 1: AGD Investment Breakdown

Programme	Ayrshire Growth Deal Project	UK Government Grant £'000	Scottish Government Grant £'000	Councils £'000	Total Government Grant £'000	Capital Leverage Committed by Other Partners £'000	Revenue leverage committed by other Partners £'000	Total Support (incl committed leverage) £'000
Aerospace & Space	Spaceport Infrastructure	18,000	5,000	0	23,000	0	0	46,000
	Aerospace & Space Technology Application Centre	4,000	1,000	6,000	11,000	0	49	22,049
	Commercial Space - Prestwick - Industrial & Hangar	10,000	12,000	7,000	29,000	0	0	58,000
	Prestwick Infrastructure - Roads	0	12,000	5,000	17,000	0	0	34,000
Economic Infrastructure	HALO Kilmarnock	3,500	3,500	2,000	9,000	12,484	2,918	33,402
	Ayrshire Engineering Park (Moorfield)	0	12,000	4,000	16,000	0	33	32,033
	Ayrshire Manufacturing Investment Corridor (AMIC)	10,000	13,500	0	23,500	0	5	47,005
	i3 Flexible Business Space	0	11,000	4,000	15,000	967	0	30,967
	i3 Digital Processing Manufacturing Centre (DPMC)	5,000	0	1,000	6,000	436	20	12,456
Energy, Circular Economy & Environment	Community Renewable Energy Project (CoRE)	17,000	0	7,500	24,500	0	8	49,008
	Hunterston Strategic Development Area	18,000	0	0	18,000	40	0	36,040
	International Marine Science & Environmental Centre (IMSE)	6,500	0	4,000	10,500	0	20	21,020
Tourism	Great Harbour	0	9,000	5,000	14,000	134	130	28,264
	Marine Tourism	0	9,500	0	9,500	0	94	19,094
Digital	Building Digital Capital	11,000	3,000	0	14,000	0	0	28,000
Communities	Working for a Healthy Economy	0	5,000	0	5,000	0	0	10,000
	Ayrshire Skills Investment Fund	0	3,500	0	3,500	0	0	7,000
	Community Wealth Building Fund	0	3,000	0	3,000	0	0	6,000
TOTAL FUNDING		103,000	103,000	45,500	251,500	14,061	3,277	268,838

The Ayrshire Growth Deal Financial Summary in terms of Government grant for the period from 1 April 2023 to 31 March 2024 is set out in Table 2 (column 2023/24). Total grant claimed for the Deal (up to 31 March 2024) amounts to £16.340million.

Table 2: Financial Summary

Programme	Ayrshire Growth Deal Project	2023/24	Cumulative (2018/19 - 2022/23)	
		AGD Grant Claimed (£'000)	Government Grant Claimed (£'000)	Government Grant % Claimed
Aerospace & Space	Spaceport Infrastructure	0	0	0%
	Aerospace & Space Technology Application Centre	0	0	0%
	Commercial Space - Prestwick - Industrial & Hangar	1,730	825	12%
	Prestwick Infrastructure - Roads	0	0	0%
Economic Infrastructure	HALO Kilmarnock	0	7,000	100%
	Ayrshire Engineering Park (Moorfield)	0	0	0%
	Ayrshire Manufacturing Investment Corridor (AMIC)	0	0	0%
	i3 Flexible Business Space	2,195	307	23%
	i3 Digital Processing Manufacturing Centre (DPMC)	0	0	0%
Energy, Circular Economy & Environment	Community Renewable Energy Project (CoRE)	0	0	0%
	Hunterston Strategic Development Area	0	0	0%
	International Marine Science & Environmental Centre (IMSE), Ardrossan	0	0	0%
Tourism	Great Harbour	0	0	0%
	Marine Tourism	0	0	0%
Digital	Building Digital Capital	0	0	0%
Communities	Working for a Healthy Economy	703	1,118	36%
	Ayrshire Skills Investment Fund	143	0	4%
	Community Wealth Building Fund	985	1,335	77%
TOTAL FUNDING		5,755	10,584	8%

Geographical Overview

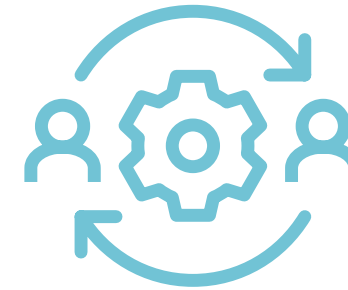
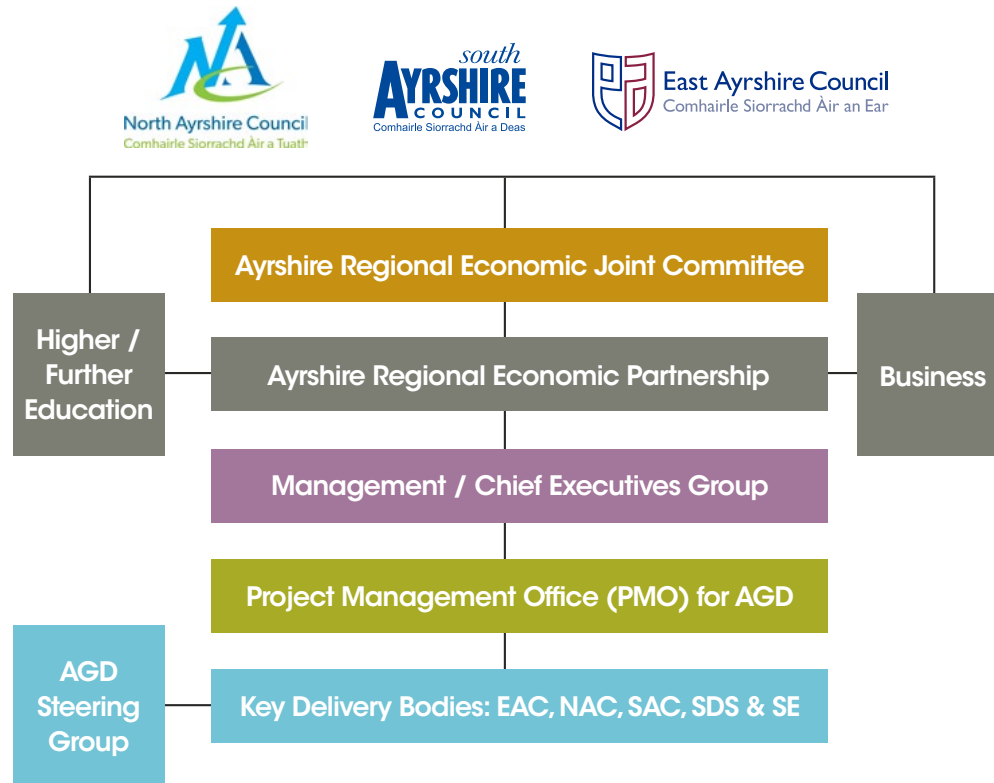
The map below shows where the projects are located across the region.



Governance Overview

The diagram below summarises the Ayrshire Growth Deal's current structure. Governance is updated and reviewed regularly, and is subject to a more comprehensive review in the coming year. This ensures as well as maximises its duties of scrutiny and endorsement predominantly through the Board and Committee, but to maximise potential opportunity in supporting the Deal to quicken the pace, given the pressing timescales for major projects to begin delivery phases and successful completion before the funding period ends.

Below is an overview of the Governance structure.



Descriptions:

Ayrshire Economic Joint Committee

The Joint Committee has ultimate control over key strategic and investment decisions required to support the Deal and the wider strategy. The Joint Committee comprises Elected Members from each of the three Ayrshire Councils together with representation from partners and businesses.

Ayrshire Economic Partnership Board

The Ayrshire Regional Economic Partnership sits below the Joint Committee with responsibility for progressing the day-to-day business of the Partnership and the AGD. This Board comprises Elected Members from the Joint Committee, as well as more extensive representation from public sector partners, the third sector and businesses.

Management / Chief Executives Group

The Management/Chief Executive group provides an overview of the Deal and where needed strategic guidance to the Partnership and PMO. They also receive updates from the PMO on the progress made on the Programme and individual projects.

Programme Management Office

The PMO reports directly to the Chief Executives Group, Ayrshire Economic Partnership Board and Joint Committee, overseeing the operations of the Deal, and a formal Review is held between the Programme Partners and UK/SG annually known as the Annual Conversation.

The reporting schedule is set out in the Annual Grant Offer Letter by the UK/SG and includes:

- a monthly report and meeting to discuss the financial spend and forecast
- a quarterly report and meeting to discuss the finance, milestones, benefits, risks & issues
- a six-weekly update and meeting to discuss communications and procurement
- check point reviews for each project

Annually the PMO provides:

- an annual report
- updated Implementation Plan
- updated Benefits Realisation Plan
- updated Financial Plan

The PMO is also part of a wider City & Growth Deals UK PMO group that meets regularly to share best practice.

Key Delivery Bodies and Regional partners include Scottish Enterprise, Skills Development Scotland, and Ayrshire College.

Audit

The Programme is subject to regular internal audits and has taken part in audits by Audit Scotland relating to the Deal externally. The findings, recommendations, and progress on follow up actions are reported to the Partnership Board and Joint Committee.



Benefits Realisation Plan

The [Ayrshire Growth Deal \(AGD\) Document](#) states that the realisation and evaluation of the impacts of the AGD is a fundamental requirement of all AGD Partners. The AGD Benefits Realisation Plan (BRP) sets out the overarching approach for monitoring and managing the outcomes of the Deal, in line with delivery plans and objectives. We will continue to monitor and evaluate outputs and outcomes each year as our projects develop.

The BRP indicates the importance of measuring Strategic Added Value (SAV) in order to capture the additional benefits of AGD partnership relationships and outcomes. By capturing SAV, we can highlight where partnership working across AGD projects has led to one or more of the effects set out below, using a qualitative ranking approach:

Strategic leadership & catalyst: Articulating and communicating regional development needs, opportunities and solutions to partners and stakeholders in the region and elsewhere;

Strategic influence: Carrying out or stimulating activity that defines the distinctive roles of partners, encouraging commitment to shared strategic objectives and effective fund allocation;

Leverage: Providing financial and other incentives to mobilise partner and stakeholder resources (equipment, people and funding);

Synergy: Using organisational capacity, knowledge and expertise to improve information exchange and knowledge transfer and coordination and/or integration of the design and delivery of interventions between partners; and

Engagement: Setting up the mechanisms and incentives for more effective and deliberative engagement of stakeholders in the design and delivery of regional and sub-regional priorities and programmes.

The BRP will be shared to the Ayrshire Economic Joint Committee alongside the AGD Implementation Plan for approval in November 2024, and regular monitoring information will be presented by the PMO thereafter, in line with the end of the financial year. Evidence of SAV and related benefits are already apparent across a range of AGD activities.



Summary of Progress

Programme

Overall, the Programme is moving forward and projects are starting to get off the ground. This report includes dedicated insight to the journeys of each project over the last 18 months.

Projects have sought to overcome significant hurdles over the past year and the Deal is recognising and anticipating an increase in pace towards delivery of the full set of projects within the lifetime of the Programme. This is largely due to the thorough Review undertaken by Partners of the Programme which has enabled a reset of several projects to take place, providing the impetus towards achievement of the aims and objectives of the Deal across the Ayrshire region.

The Programme Review

The Ayrshire Growth Deal's comprehensive Review this year has been a pivotal milestone, reaffirming our commitment to the continued success of the region's economic advancement. Through collaborative efforts, the Review has demonstrated clear evidence of proactive measures taken by deal partners to ensure the long-term impact and sustainability of The Deal.

A focussed approach has been taken to tackle emerging challenges head on, ensuring that delivery timelines are achievable whilst maximising the benefits to communities and businesses in Ayrshire. Based on the insights gathered, Deal partners have proposed strategic action to adjust and enhance delivery mechanisms where necessary.

The Review also highlighted the importance of strengthened relationships between local authorities, businesses and community stakeholders, all of whom play an integral role in delivering the vision of the Growth Deal. These relationships should in turn support quicker decision making, accelerated project implementation, and a united approach to solving regional challenges.

The timeline of the Review is shared on page 15.





Review Timeline

OCT 2023

- Partner meeting where need for Review was confirmed
- PMO working with North, East and South Ayrshire Councils to create a plan

NOV 2023

- Letter of intent developed and submitted to Governments

DEC 2023

- Governmental support for AGD letter of intent
- Comprehensive technical papers developed for each project and reviewed internally

JAN 2024

- Annual conversation held for further review

FEB 2024

- PMO work with Partners to finalise information to share with Governments on Review

MAR 2024

- Project Emerging Review Headlines, Executive Summary Paper and Change Classifications submitted to Governments for Review

APR 2024

- Ongoing discussions regarding change proposals and their impacts
- Implementation, Financial Benefits Realisation Plans Update underway

MAY - SEP 2024

- Programme Review summary paper requesting support 'in principle' for trajectory changes. Discussions ongoing

OCT / NOV 2024

- Summary Review presented to Ayrshire Economic Partnership Board and Committee for endorsement and approval

In this context, the AGD is making promising strides towards further delivery. The table below shows the current Programme Overview with the status overview for each project shown. Whilst the majority of projects were in development stages over the last 18 months, some good progress is being made on entering delivery phases. What is important to note is that several projects have faced challenges that have meant that their progression within their original scopes and budget is simply not possible. A large part of the Programme Review has been focussed on exploring new possibilities that will still achieve benefits and impacts for Ayrshire. The reporting year 2024/25 is set to reconfirm this direction of travel for projects in scope of the Review.

Table 4: Programme Development and Delivery Overview

Ayrshire Growth Deal Project	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Spaceport	Development	Development	Development	Development	Development	Unviable	New proposals being developed	Delivery	Delivery	Delivery	Delivery	Delivery
Aerospace and Space Technology Application Centre (ASTAC)	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery
Prestwick Commercial Space	Development	Development	Development	Development	Delivery	Unviable	New proposals being developed	Delivery	Delivery	Delivery	Delivery	Delivery
Prestwick Roads	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery
Ayrshire Engineering Park (Moorfield)	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery
Ayrshire Manufacturing Investment Corridor (AMIC)	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery
I3 Flexible Space	Development	Development	Development	Development	Delivery	Delivery	Development	Delivery	Delivery	Delivery	Delivery	Delivery
I3 Digital Processing Manufacturing Centre (DPMC)	Development	Development	Development	Development	Delivery	Delivery	Development	Development	Delivery	Delivery	Delivery	Delivery
Community Renewable Energy Project (CoRE)	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery
Hunterston Strategic Development Area	Development	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery
International Marine Science & Environment Centre	Development	Development	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery
The Great Harbour	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery
Marine Tourism	Development	Development	Development	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery
Building Digital Capital	Development	Development	Development	Development	Development	Development	New proposals being developed	Delivery	Delivery	Delivery	Delivery	Delivery
Ayrshire Skills Investment Fund (ASIF)	Development	Development	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery phase complete	Delivery phase complete
Working for Healthy Economy (WfHE)	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery phase complete	Delivery phase complete
Community Wealth Building (CWB)	Development	Development	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery	Delivery phase complete	Delivery phase complete
HALO Kilmarnock	Delivery	Delivery	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete	Delivery phase complete

Key: Development (Yellow) Delivery (Green) Unviable (Red) New proposals being developed (White) Delivery phase complete (Blue)

Project Stages

Table 5 below lists the themes and associated projects, with further detail of current stages. More information on project themes can be found within this [Deal Document](#).

Table 5: Project Stages

Programme	Ayrshire Growth Deal Project	Project Stage
Aerospace & Space	Spaceport Infrastructure	Under review
	Aerospace and Space Technology Application Centre (ASTAC)	Outline Business Case in Development
	Prestwick Commercial Space	Under review
	Prestwick Roads	Outline Business Case in Development
Economic Infrastructure	HALO Kilmarnock	Complete
	Ayrshire Engineering Park (Moorfield)	Full Business Case in Development
	Ayrshire Manufacturing Investment Corridor (AMIC)	Full Business Case in Development
	I3 Flexible Space	In Delivery
	I3 Digital Processing Manufacturing Centre (DPMC)	In Delivery
Energy, Circular Economy & Environment	Community Renewable Energy Project (CoRE)	Full Business Case in Development
	Hunterston Strategic Development Area	Outline Business Case in Development
	International Marine Science & Environment Centre	Outline Business Case in Development
Tourism	The Great Harbour	Full Business Case in Development
	Marine Tourism	Outline Business Case in Development
Communities	Digital Infrastructure	Under review
	Digital Subsea Cable	Under review
	Community Wealth Building	In Delivery
	Working for Healthy Economy	In Delivery
	Ayrshire Skills Investment Fund	In Delivery



Overcoming Obstacles

The Deal has faced many challenges over the last years, employing several solutions and taking actions to overcome them.



Examples of these are given below:




Challenges	Description	Actions taken to create solutions
Funding and Budget constraints	<p>The Ayrshire Growth Deal has experienced well documented challenges in funding and budget constraints which has had significant impact on progress over the last 18 months.</p> <p>Rising costs have had an impact on the development of all capital projects, and as has been shown, caused the projects to be reviewed, with a small number being reconsidered for continued development/delivery. Inflation and increased costs of materials and labour has strained budgets, requiring a resourceful, adaptive approach that has required projects to reassess and re-scope to fit within funding parameters whilst maintaining original aims and objectives agreed at Deal signing. For example in the Aerospace and Space industry, along with construction cost increases, material costs have increased by 33% between December 2020 to December 2023, widening the commercial viability gap.</p> <p>Major changes have been influenced by this challenge, with two projects absorbing the brunt of this namely Spaceport and the Commercial Space Project. Both projects cannot move forward as anticipated, despite significant development investment from the Lead Authority and partners to move things forward.</p> <p>Partners in Ayrshire are facing the same challenges as Local Authorities across the UK with significant ongoing and future budget constraints. This is impacting the operations of local authorities as well as impact on delivery of major investments. In Ayrshire this has been impacted on the forward planning and fluidity of entering the delivery stages for projects included in the Deal.</p>	<p>Solutions that have and continue to be employed by the Programme include the process of reassessing and reset of specific budgets through the Programme Review. Further to this, solutions have included seeking funding from multiple sources to support projects requiring more funds than initially allocated to achieve original scope and aims.</p> <p>Examples of success are:</p> <ul style="list-style-type: none"> • 150k leveraged investment for CoRE • The Great Harbour project is another example of a project that anticipates financial leverage of c£600k from multiple funding partners to enable delivery <p>In addition to seeking leverage and diversifying funding sources, cost management has been at the heart of AGD solutions. This includes exploring the potential to phase delivery to help manage the limited funds available. Through thorough and regular review, the Deal seeks to ensure efficient use of resources and utilises the business case and change management protocols as opportunities for value engineering to maximise investment across the programme.</p>
Administrative and Governance Hurdles	<p>The governance structure of the AGD is comprehensive and whilst it ensures transparency and a democratic approach to public investment in the region, the programme adheres to complex approval processes. These lengthy approval and regulatory processes can have significant impact on the pace of project progression.</p> <p>Added to this is the dependency on effective collaboration between Partners, crucial to the success of the Deal, however simultaneously challenging due to differing organisational structure, priorities, policies, cultures and more.</p>	<p>Several measures have been taken to streamline processes and work at pace to enable more seamless and timely progression of projects within the Deal. The PMO has streamlined reporting processes where possible and is set to improve this further with a comprehensive governance review to take place in the coming year.</p> <p>Actions have included exploring with the Government on the level of detail required for business case approval, ensuring the cases include include robust evidence and analysis, and reviewing the time to consider drafts.</p>

Challenges	Description	Actions taken to create solutions
<p>Economic and Political Uncertainty</p>	<p>The legacy of the Covid-19 Pandemic and Brexit still lingers in its impact on the availability and delivery of materials.</p> <p>Inflation and cost of living has further increased project costs, having impact on spending and local economic growth.</p> <p>The uncertainty about the speed and nature of economic recovery and activity to enable effective delivery of the Deal has had an impact on key stakeholders' approach to planning and general appetite for investment and risk. Whilst a cautious approach is natural in the aftermath of significant economic challenges, opportunity to maximise the investment in the Ayrshire Growth Deal needs to be weighed in proportion to risk and this has been a challenging factor to manage simultaneously with wanting to move at pace and predominantly into delivery phases.</p> <p>Differences and changes in government has had impact on project timescales. Aspects of the programme have had to be put on hold through the process of the recent UK General Election which, due to the unexpected timing, could not be factored into programme and project planning.</p>	<p>The Programme Review has been the core response to a proactive approach in navigating challenges. This has helped partners to review and reset plans, weighing risk and opportunity. Some of this work is still ongoing with the outcomes yet to be finalised.</p> <p>The AGD has taken the approach of engaging in scenario planning to anticipate and mitigate potential impacts of economic and political challenges. Moreover, the Deal works closely with the Scottish and UK Governments to understand and influence stability and support across economic challenges and political cycles.</p>
<p>Expectations, Perceptions and Communications</p>	<p>Ensuring local communities support and benefit from the AGD is of highest priority. Substantial benefits have already been delivered through the Deal with the majority still to be realised through projects on the cusp of delivery. Due to many delays across the programme, expectations have not always been met, and this has been a challenge for the programme to manage through effective communications.</p>	<p>Significant engagement has taken place across Ayrshire in the last 18 months and details of these will be highlighted through the report. These engagements include:</p> <ul style="list-style-type: none"> • CWB Events – 387 attendees • Fair Work Fairs – 1,037 attendees • Meet the Buyer events - 160 attendees • Regional Economic Strategy engagement events <p>It is of high importance for business cases to be shaped with input from local communities and stakeholders. The most recent example of this is the development of the plans for Great Harbour (Coastal Hub phase) in Irvine which were informed by consultation for the overall Masterplan for the area and which resulted in actions from community feedback on 10 priority areas including transport, parking and community access concerns.</p> <p>As the Deal emerges from its comprehensive Review period, more onus will be placed on sharing updated opportunities for engagement and benefits of the Deal. These will be communicated through a series of events and updates to the AGD website and more.</p>

This year's successes

Significant highlights over the past 18 months and a sign of the impact of the Ayrshire Growth Deal have included:

Highlight	Description	Further content	
Ayrshire Skills focus	<p>Exciting skills interventions have taken place regionally with the Ayrshire Skills Investment fund.</p> <p>59 Businesses across Ayrshire have been awarded funding through the Ayrshire Skills Investment fund, supporting a total of 275 trainees.</p>	<p>100% of businesses have noted a positive impact since receiving ASIF funding</p> <p>92% of businesses have addressed the skills gap</p> <p>69% have promoted staff and notices increase in productivity</p> <p>23% have created new jobs (may increase in time)</p> <p>92% think ASIF will benefit the Ayrshire economy</p>	<p>Has ASIF had a positive impact on your business?</p>  <p>YES ■ NO ■</p>
Ayrshire Digital Enhancement	<p>Securing 5GIR funding (£3.8m from the UK Government) that has developed and supported the AGD Digital Economy work stream and review of the AGD Digital Programme enhancement of the region's digital infrastructure.</p>		

Highlight	Description	Further content
<p>Regional Events and stakeholder engagement</p>	<p>Thousands of stakeholders across Ayrshire have been engaged through AGD project events. The impact of this has raised awareness and understanding of the opportunity, and strengthened networks to ensure long-lasting Deal benefits are widely distributed</p>	
<p>Capital Projects Breaking Ground</p>	<p>A number of capital projects are entering delivery stages with key initiatives such as I3 Flexi Space and, I3 DPMC starting construction as phase 1 of each project.</p> <p>In addition, other projects are moving towards the completion of business cases, with projects such as Great Harbour, AMIC and Moorfield expected to start construction in the next financial year (24/25).</p> <p><i>Pictured: Construction of Phase 1 Flexi Space, at Irvine.</i></p>	 

Highlight	Description	Further content
<p>Strategic Alignment</p>	<p>The Ayrshire Regional Economic Strategy was launched in 2023, which has reset and revived the vision and ambitions for Ayrshire. The Deal is the mechanism for delivery of regional projects, and aims to become further aligned to wider opportunities in maximising this.</p> <p>The Ayrshire Growth Deal aligns with the new National Wealth Fund objectives by focusing on job creation, economic diversification, and infrastructure improvements, and promoting green growth. Furthermore, there is synergy in aiming to leverage public and private investments to drive long-term and sustainable economic prosperity.</p>	
<p>'People first' approach</p>	<p>The CoRE capital project is an exciting example of the 'people first' approach. This is demonstrated through its intended development of demonstrator projects as part of phase 1, which will engage directly with local communities through a variety of clearly defined activities e.g. retrofitting existing Council housing of various typologies to meet environmental standards; and purchasing of bicycles as part of a local based place approach to improving access to sustainable transport.</p>	<p>core COMMUNITY RENEWABLE ENERGY PROJECT</p>



Communities Programme

Focusing on the health, wellbeing and progress of our local communities

Community Wealth Building

Community Wealth Building Community Wealth Building (CWB) is an economic development approach that seeks to create sustainable and inclusive local economies. It aims to build wealth and improve well-being within a community by prioritising local ownership, cooperation, and social value over traditional economic models focused solely on maximising financial returns.

CWB for Ayrshire

The case for the Ayrshire region to benefit from a dedicated CWB programme was supported by an analysis conducted by the Scottish Government for the Advisory Group on Economic Recovery and the Inclusive Growth Diagnostic.

Key reasons include:

Addressing Economic Challenges and Vulnerabilities: The Inclusive Growth Diagnostic highlighted specific economic challenges faced by the Ayrshire region, such as low productivity, unemployment, disparities in income and wealth distribution. The analysis identified vulnerabilities in the Ayrshire region's economy and showed that North Ayrshire and East Ayrshire have the least resilient economies in Scotland, with South Ayrshire below the Scottish average.



The programme was developed to help diversify the economy, foster fair work practices, create new opportunities, and build resilience to external shocks. By focusing on local assets, capabilities, and collaboration, the programme is supporting enterprises in the region to develop a more resilient and sustainable economic foundation.

Leveraging Local Resources: Key stakeholders realise the potential of untapped local resources and sectors across Ayrshire that can be harnessed for economic prosperity. Key outputs assigned to the programme such as supporting new enterprises, and broader land and asset & procurement related activities enable exploration of this. CWB emphasises local ownership and cooperation, allowing the Ayrshire region to leverage its unique assets and strengths. By promoting local entrepreneurship, innovation, and investment, the programme is helping the region unlock its potential for inclusive and sustainable economic development.

Inclusive Growth: The programme realises the importance of inclusive growth, where economic prosperity is shared by all members of society. Practically, the programme delivers on this objective by prioritising plural ownership transitions, fair work practices, reducing inequalities, and fostering social inclusion. The programme works with enterprises and key stakeholders towards an economy that benefits everyone and ensures that no one is left behind.

The project has three key elements to achieve this:

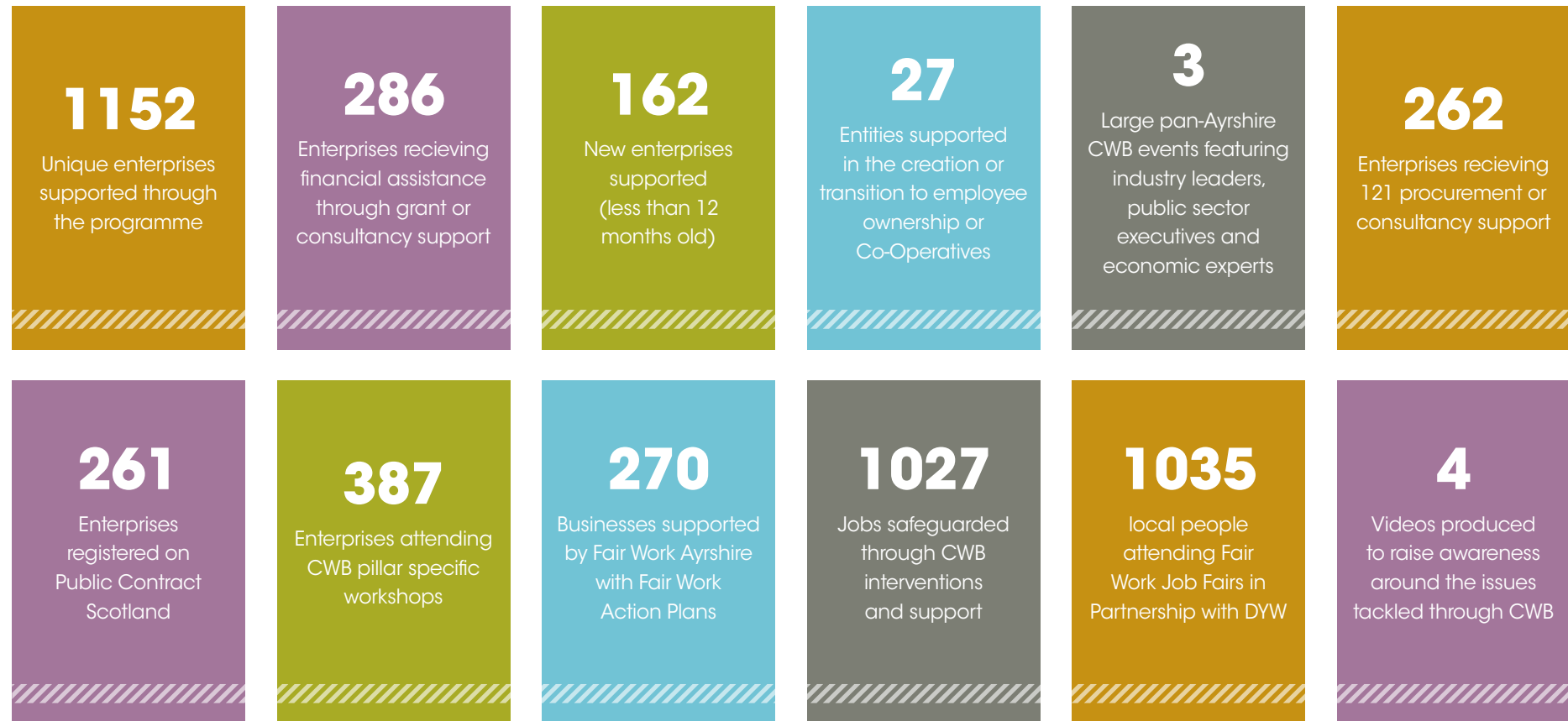
- **CWB Business Locality Officers** – working with local organisations to facilitate CWB activities across the region;
- **CWB Fund** – a fund to support place-based CWB activity, and the work of CWB locality officers;
- **Fair Work Ayrshire** – a dedicated service that works with employers to implement Fair Work in workplaces across the Ayrshire region.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct-22	Scotland's First Community Wealth Building Conference took place at Saltcoats Town Hall hosted by NAC.
	Over 500 enterprises supported by the CWB programme (achieved 6 months ahead of target)
	Produced the "A day in the life of a young person in North Ayrshire" video
	Financial assistance provided to 100 enterprises through the £1m business fund
Mar-23	The first in person PAN Ayrshire Community Wealth Building Gathering was held at Ayrshire College. - 135 attendees
	East Ayrshire CWB video produced North Ayrshire Fair Work Job Fair - 420 attendees
Apr-23	South Ayrshire Fair Work Job Fair with 230 attendees.
May-23	The core programme activity and outputs steadily increased.
Jun-23	Undertook a mini review in terms of the need to realign the employment contracts.
Sep-23	Pan-Ayrshire Gathering hosted in South Ayrshire. - 160 attendees
Oct-23	Ayrshire Chamber Awards with the first ever CWB Category.
	East Ayrshire Meet the Buyer event - 160 attendees
	East Ayrshire Fair Work Job Fair - 380 attendees
	Headline target of supporting 900 unique enterprises surpassed
Nov-23	Mid Term Programme Review completed
	Change request submitted to extend project by 1 year.
Dec-23	Community Wealth Building extension approved by the Scottish Government
Jan-24	Community Wealth Building extension approved by the Ayrshire Partnership Board and Joint Committee.

Project Reflections | Achievements | Top Successes

The programme is performing well against targets set in the Full Business Case and in some cases, exceeding key outputs assigned.

In the recent round up of progress, pan-Ayrshire outputs show that over 1,000 enterprises have been supported by the programme in CWB, achieving 125% of original programme target. Many other key benefits have been delivered, quantified and highlighted below.



Three case studies from North, East and South Ayrshire Council showcase the benefit of this programme:

Community Wealth-Building - East Ayrshire

First Saddlery

Established in 2011, First Saddlery is a premier supplier of equestrian safety products and casual wear in the UK. With a dedicated team of three employees, including key business personnel Karene Wallace and Alex Scott, the company has successfully expanded its reach to international markets, exporting to Germany and America. As a well-established retail business situated within a show centre, First Saddlery caters to a broad range of equestrian activities, providing top-notch safety gear and casual wear.



First Saddlery had thrived on its physical presence, with customers travelling from all over the UK to visit their shop. Despite this success, the company's online platform had not been able to replicate this experience or generate significant sales. The outdated website lacked essential features such as multiple payment options, loyalty schemes, and an efficient product showcase, limiting their ability to attract and serve customers online.

Recognising the potential for growth through an improved online presence, First Saddlery sought the support of East Ayrshire Council and received a Community Wealth Building grant to assist with their business development project. With the grant, the company aimed to revamp their website and enhance their digital marketing strategies. They enlisted the expertise of a local design consultancy, who advised ways to better utilise marketing tools and improve the user experience.

The funding and consultancy support had a transformative impact on First Saddlery's business. The new website facilitated a significant increase in online sales, reaching customers beyond their local area and attracting international buyers. With a modern website, the company could leverage advanced marketing tools to create engaging campaigns, boosting their online visibility and attracting new customers.



Case Study



 East Ayrshire Council
Comhairle Siorrachd Àir an Ear



The project aligns seamlessly with the Community Wealth Building agenda by promoting local economic growth, reducing paper waste, red enhancing digital infrastructure, and fostering community resilience. By upgrading their website and expanding their online presence, First Saddlery has been able to:

- **Reduce their carbon footprint:** By reducing their paper usage through linking their website to their stock control and payment system, they are now able to process in a more energy efficient way.
- **Generate Local Employment:** The projected growth in online sales is expected to create new job opportunities within the local community, contributing to local economic stability.

Support Local Suppliers: With increased sales and a robust online platform, First Saddlery can strengthen partnerships with local suppliers and offer drop shipping options, further embedding wealth within the community.

Enhance Community Engagement: The upgraded website allows First Saddlery to better engage with their customers through online loyalty schemes and discounts, including those for NHS and SPRA members, fostering a sense of community and loyalty.

Karene Wallace, co-owner of First Saddlery, shared her enthusiasm about the support received:

"The grant from East Ayrshire Council has been a game-changer for us. The consultancy opened our eyes to the possibilities of a robust online presence. We are now able to reach a broader audience and provide our loyal customers with the same excellent service online as we do in-store."

Alex Scott also expressed her gratitude:

"This project has allowed us to significantly increase our turnover and even plan for additional staff. The community support has been incredible, and we are excited about the future growth of First Saddlery."



Case Study



 East Ayrshire Council
Comhairle Siorrachd Àir an Ear

Community Wealth-Building - South Ayrshire

Friends of Dundonald Castle (SCIO)

South Ayrshire Council's Community Wealth Building team has supported Friends of Dundonald Castle with the launch of their new film programme.

The team provided grant funding for film and audio equipment, supplied by local firm Lairds of Troon. The film programme is screened within the castle under its atmospheric 14th century barrel-vaulted ceiling and will continue for years to come.

The official launch event took place on Saturday 27 May 2023 and saw Harry Potter and the Philosopher's Stone premiered to a sell-out audience. The entire series of Harry Potter films were screened throughout 2023. Revenue from ticket sales provides the Friends of Dundonald Castle with funding to sustain their operations. The purchase of this equipment has enhanced their facilities and helped to generate greater income streams, and provide educational and exciting opportunities for locals, visiting schools, and visitors alike.

Dundonald Castle is a 14th Century hilltop castle which is looked after on a daily basis by The Friends of Dundonald Castle SCIO, who also manage the attraction's Visitor Centre.

The castle is one of Scotland's most unexplored and fascinating outdoor attractions - a heritage treasure, which was the historic home to Scots King Robert II, grandson of Robert the Bruce, and boasts historic links to the Stewart dynasty and the Cochrane and Wallace families.

The Visitor Centre acts as a community hub for volunteering, skills development and cultural engagement. It also provides friendship opportunities for many people in the community and runs free community clubs and groups for all ages. Local artists and makers sell their produce at the centre's shop, which is visited each year by locals, visitors from the rest of the UK as well as further afield.

At the outset of the CWB programme, key figures within the CWB Commission espoused that 'where there are assets wealth can be created' so recognising the importance of this historic site, and the partnership working South Ayrshire Council had developed with Friends of Dundonald Castle SCIO and Historic Environment Scotland on the Community Asset Transfer of the Castle Visitor Centre, and an area of adjacent land to Friends of Dundonald Castle SCIO in 2021. Since then, the Community Heritage Programme at Dundonald Castle has gone from strength-to-strength.

Dr Kirsteen Croll, General Manager of Friends of Dundonald Castle said:

"Our film series provides more opportunities for local communities to gather at the castle, as well as attracting audience members from further afield to experience the setting of our beautiful Dundonald Castle. This has only been possible thanks to the support of South Ayrshire Council's Community Wealth Building team, who provided us with grant funding to purchase film and audio equipment to enable this to happen. We're also very grateful for the help provided to us by local family company Lairds of Troon."



Case Study





Case Study



Friends of Dundonald Castle is now the largest employer in the village of Dundonald. The Visitor Centre receives 25,000 visitors per annum and, at the time of writing, has been nominated for a Visit Scotland Thistle Award under the 'Thriving Communities' award. One of only three places in Scotland to be shortlisted, Friends of Dundonald Castle feel that they have won already by being shortlisted for this prestigious award.

The project helped FoDC with post CAT support and because of timing it was also post Covid support by introducing an innovative reason for local, National and International visitors to attend the castle and ensure repeat visits.

The initiative has increased visitor numbers which has in turn increased revenue streams.

Via the CWB team (Margaret Scott), introductions and information began to flow better between key stake holders resulting in other funding streams from e.g. ARIA, LACER

FoDC undertook a feasibility study (ARIA Funding) to look at the site of the visitor centre and a recommendation is for the centre to expand to increase the number of school groups while freeing up space in the shop and café. FoDC are in discussions with SAC re another CAT or lease of adjacent land.



"Engaging with the Community Wealth Building team, not only resulted in us successfully being granted a funding award to support the purchase of film equipment from a local company for our film programme in the Castle but also opened up numerous other connections and funding opportunities. One of the connections made was with SAC Employability and Skills and Thriving Communities team and we have had so much support. To top off all of our recent successes we have been nominated by Visit Scotland for a Thriving Communities Thistle award which we will find out if we have won in a few weeks time. We cannot recommend this programme enough and thank everyone involved from SAC and the wider Ayrshire Community Wealth Building programme."

Dr Kirsteen Croll, May 2023



Community Wealth-Building - North Ayrshire

Coast Bathrooms

Coast Bathrooms, based in North Ayrshire is a local business involved in bathroom design and installation. They expressed interest in support through the Ayrshire growth deal to enhance their capacity for business growth.



North Ayrshire Council's CWB team were able to support with the following:

Start-up support: Early 2022

- **Grant support:** Feb 2023, £2,629 towards a £5,258 marketing project, for a vehicle wrap, print and signage (local Kilwinning company used for print & signage)
- **Procurement support:** Jan 2023, advised on how NAC purchase. Helped business to register for Public Contract Scotland and receive alerts.
- **Consultancy Support:** Jan 2024, applied for 5 days of tendering support with Intend Business Solutions (£2,475) to assist with bidding for Scotland Excel "Construction Supplies" framework.

Outcomes:

May 2024: advised they were successful in gaining a place on the above framework for the "Plumbing" Lot to supply NAC.

June 2024: business has now applied to Employability Team to create a role for a young person through the PRI scheme to assist with administration.

"Without the support arranged from our NAC Business Adviser, we would never have been able to navigate PCS and submit a tender of this size and scale. We are delighted to have been successful and thank the team very much for their support."

Craig Devlin (Owner), July 2024



Case Study



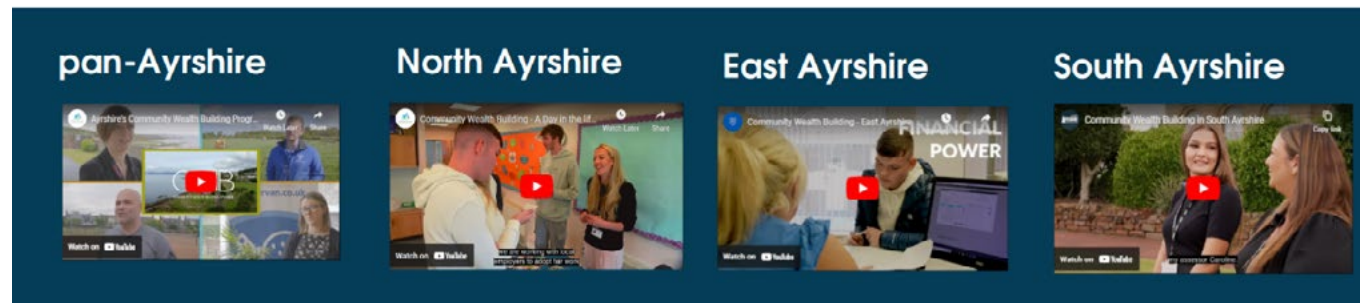
Events Impact Overview

As highlighted in Section 5, the AGD CWB Programme has held several events. Two events which achieved great engagement within this reporting period were The Ayrshire CWB Gathering held in East Ayrshire in March 2023, and a CWB | Building the Economy at Home event held in South Ayrshire at the end of September 2023. The purpose of these pan-Ayrshire events is to raise awareness and deliver education around the success of the CWB approach, and celebrate the businesses across Ayrshire leading the way.

The most recent event in South Ayrshire welcomed over 160 key stakeholders that held a great balance across public, private and third sectors as well as across the Ayrshire region. With 60 responses to the feedback survey, what people appreciated most about the event was the quality of speakers and the networking opportunities that were enabled.

The event included speakers from three Ayrshire businesses, sharing their CWB journeys and the support they have received through the programme. The event held dedicated presentations on procurement and land and assets pillars, as well as a forward thinking discussion around Artificial Intelligence and how it intersects with CWB. [A round up from Scottish Enterprise representative Brian Connolly](#), gives good insight into the day.

The Community Wealth Building Programme has sought to communicate opportunities through various forms of media – including a dedicated video series:



A Fair Work and Skills Ayrshire video is currently being produced to complete the 5- part series.

Looking forward

After having a one year extension approved by the Governments and the Ayrshire Economic Partnership Board and Joint Committee, the project is in its final year of delivery. It is therefore focussed on ensuring the full £1m CWB fund is awarded to local organisations, achieving and maximising benefits and key outputs where possible, and that opportunities for the project to be mainstreamed into business support across Ayrshire are further explored.

A programme evaluation is set to help with recommendations that can be taken forward.



Key stakeholders engaging with Ayrshire's first CWB Marketplace



Vanessa Good of the Good Travel Company presenting her CWB approach in business and the coordination of Ayr's first consortium cooperative

Working for a Healthy Economy

The Working for a Healthy Economy project recognises the importance of public health and the need for a healthy and productive workforce. Ayrshire needs to reduce the number of residents who cannot contribute to the economy fully due to poor health. The links between health and economy are well evidenced and health was assessed as the most significant barrier to Inclusive Growth in Ayrshire in the Inclusive Growth Diagnostic.

The Working for a Healthy Economy project is summarised excellently by Benedict Terry, a young resident who volunteered his media skills through the EQUAL programme:

As showcased in the video, this project offers a criteria free, single access point to work-focused health support for both residents and employers. This project aims to increase the capacity of the labour pool and maximise benefits arising from Ayrshire Growth Deal capital investments. This is achieved through support to individuals, employability support teams and business, engaging directly with individuals to manage and improve their health circumstances, and therefore increase their ability to gain and/or sustain work.



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct - 22	Continued delivery and request to extend project from 5 to 6 years at the next Joint Committee.
Nov -22	Participated in the child poverty mini enquiry
Dec - 22	Paper approved at the Joint Committee to extend the project from 5-6 years.
Jan-23	Information session for practitioners from referral agencies
Feb-23	Workshop & Networking event
Mar-23	Process underway to award the contract to undertake a project evaluation .
Apr-23	Launch of promotional videos
May-23	The Invitation to Tender closed, a preferred bidder was identified and the process completed to award the contract to undertake the evaluation.
Jun-23	Further promotion of the WfHE project was successful in terms of widening the amount of people using the service.
July-23	Focus Group Evaluation work commenced
Nov-23	Development session for frontline staff to review and redefine the delivery model
Dec-23	Service delivery plan updated
Jan-24	Development of Request for Procurement Action for Working for a Healthy Economy, maximum contract timescales achieved
Feb-24	Implementation of pilot revised delivery model to embed WfHE within employability teams across Ayrshire
Mar-24	Published Invitation to Tender

Working in communities across Ayrshire, the projects innovative and holistic support is available to anyone of working age who would benefit from engaging with a fully qualified and experienced NHS health professional to explore their current circumstances and receive support to better manage any new/existing health conditions.

Together the team identifies the level of support that would be most beneficial. Support methods including:

- 1:1 Assessment and Action Planning
- Continued 1:1 support for a further five sessions
- Group work focusing on topics such as anxiety, low mood, confidence

Where appropriate, treatments such as counselling, physiotherapy and relaxation therapies are available to enhance recovery and encourage progress.

For businesses, the service helps to create a healthier workplace by providing support with health, wellbeing and absence management policies, providing mental health awareness training and helping to understand and record the cost of absence.

Project Reflection | Achievements | Top Successes

The project released a social media video series which has explained the support offered for those who live or work in Ayrshire who's struggles with Health (mental and physical), and overwhelming circumstances impact their ability to work.

This video outlined the ease to engage with the project, gain non-medicalised support and continue or return to work.

The project aims to support many more people over the next years of delivery, increasing the capacity of the workforce and maximising benefits arising from Ayrshire Growth Deal capital investments.



The WHFE programme is an innovative project with essential goals which has supported 1580 Ayrshire based individuals since inception in 2021.

Working for a Healthy Economy

'Hannah'

The person engaging with the project wishes to remain anonymous – we've used the name Hannah for case study purposes.

Hannah was referred to the Working for a Healthy Economy programme in May 2023 through her employability adviser. She presented with a diagnosis of depression and social anxiety. Hannah had been unemployed for 18 months as a consequence of her poor health and lack of general wellbeing.

Whilst undergoing a health assessment with her case manager it was apparent that the Hannah lacked motivation to engage in everyday tasks, had severe difficulties with maintaining sleep and was experiencing dietary difficulties. Through action planning, the Hannah informed her case manager that she required support to improve her health and adopt a healthier lifestyle in order to increase her ability of entering and sustaining employment.

- Through working with her case manager the Hannah managed to achieve the following outcomes:
- Hannah developed effective coping strategies through self-help and case management support using CBT techniques. There was a significant reduction in her symptoms of anxiety and depression, consistent with an improvement in the HADS (Hospital anxiety and depression scale) and the European Quality of Life (EQ5D) clinical assessment scores.

- Hannah was able to improve her physical health and general wellbeing by improving her everyday structure and activity. Hannah started to go to the gym regularly.
- Hannah was supported by her case manager to re-engage with her GP ensuring she was being prescribed the correct medication for her mood.
- Hannah was able to learn about and put into practice guided sleep meditation and is now sleeping through the night undisturbed.
- Hannah commenced a college course and started working part time. She is thriving in both opportunities.

Hannah may potentially benefit from further support from the AGD once her college course has ended and she wishes to pursue full time employment.

Hannah has details of her case manager whom she can contact should she require support in the future.

"It was a pleasure to be able to support Hannah in improving her health so that she could feel confident and capable enough to enter full time education and employment. This case study highlights the importance and success that can be achieved by integrating health and employability support in partnership."

Stephanie Wrightson, 11/09/2024



Case Study



Ayrshire Skills Investment Fund

The Ayrshire Skills Investment Fund is a responsive skills fund that drives inclusive growth through direct support of skills interventions and associated management costs.

The fund has core themes including digital skills; in-work progression; ways into Fair Work for excluded groups; skills support for inward investors; skills support for redundant workers; skills support aligned to AGD projects to ensure residents benefit; responses to demand identified in Regional Skills Assessment; and capacity building to ensure innovation in skills sector.

The priority given to each theme will change in line with the regional economy and emerging demands. The fund Board assesses these aims on an annual basis and prioritise them based on the available intelligence.

The case studies below showcase exciting interventions of the fund in early stages, which will be further maximised as it matures.

Ayrshire Growth Deal is building a legacy for the next generation of Ayrshire - everyone should feel part of the journey, part of something. Ayrshire Skills Investment Fund helps employers show staff they are valued, provides a catalyst for promotion and supports business growth, to retain talent in Ayrshire.

Juliet Dempster, ASIF and FWA Programme Manager

Project Reflection | Achievements | Top Successes

The instant appetite and delivery success of ASIF signal continued momentum for the fund to benefit the workforce across the Region through employer investment. Key benefits will be reported in more detail in the next annual report, to allow for accurate measurement and reporting of impacts achieved.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Dec-22	Revised OBC submitted to the Government.
Jan -23	ASIF Sub Committee initial meeting took place
Jul-23	ASIF OBC Approved by Scottish Government
Aug-23	ASIF FBC Endorsed by Scottish Government and ASIF FBC approved by the Ayrshire Joint Committee.
Sep -23	FBC fully approved
Oct-23	EKOS commissioned to complete research to inform ASIF priorities and impact on skills for Ayrshire
Nov-23	An award to Ayrshire College was approved by the ASIF Sub Committee
Dec-23	The employer grants were launched and application process was shared widely across the region.
Jan-24	Ayrshire College promoted engineering courses and attended LEPs to promote these opportunities
Feb-24	Financial profile change management request approved & EKOS Report, Action Plan and Key Recommendations complete, Employer Grants Awards approved
Mar-24	Employer Grants programme continues

Ayrshire Skills Investment Fund - South Ayrshire

Kerr & Smith Ayr Ltd

Kerr & Smith Ayr Ltd – Car Service & Repair Centre requested electric vehicle training for their staff team.

This allows the business to widen their offer and provide more services to customers and insurers they work with. The training has allowed staff to be promoted and in turn become financially better off.

"The Ayrshire Skills Investment Fund has been of huge benefit to Kerr and Smith Ayr Ltd and our staff by assisting with investing in bringing our current staff members to the highest levels of qualification within our industry and allowing them to carry out their daily workload to the highest standards for all customers and suppliers securing staff-members future and allowing Kerr and Smith and its staff to prosper"

Paul Kerr – Owner/Director



Photos of Logan with his Certifications allowing him carry out his job as a Roadside & Recovery Technician to the highest levels with certification covering Road safe, Roadside Awareness, Public Aware, Electric Vehicle and Hybrid Aware and EV Hybrid Management Aware making Logan a fully qualified Roadside Assist & Recovery Hero.

Kerr & Smith



Case Study



South
AYRSHIRE
COUNCIL
Comhairle Siorrachd Àir a Deas

Ayrshire Skills Investment Fund - South Ayrshire

IMT Aviation Scotland Ltd

IMT Aviation Scotland Ltd are specialists in the repair and refurbishment of Aircraft Structures, Flying Surfaces, Nacelles and Engine Accessories. IMT requested funding to provide advanced in-house training in one of the engineering approval processes.

"The ASIF funding has allowed IMT Aviation Scotland to provide training to add a new approval to one of our newest employees, giving her greater flexibility to her daily tasks and workload."

"Ayrshire Skills Investment Fund has made a difference because it has allowed IMT Aviation Scotland Ltd to offset the on-the-job training costs to provide Lydia an opportunity to improve her approval listing and give her greater variety within her daily tasks."

Gordon McMillan - Team Leader at IMT Aviation



"Ayrshire Skills Investment Fund has helped me to upskill within the workplace. Being able to approve my own work improves efficiency, productivity and allows me to support my colleagues. Having recently returned to the workforce after having children, retraining and upskilling can be challenging. ASIF has enabled my workplace to provide on the job training, improving personal growth and supporting me in the next steps in my career."

Lydia



Case Study





Economic Infrastructure Programme

This programme will create conditions for growth, providing local jobs, strong regional supply chains and skills development across a number of sectors in Ayrshire.

HALO Kilmarnock

With a vision for a dynamic commercial, educational, cultural, leisure and lifestyle quarter where people can live, work, learn and play, the HALO Kilmarnock provides a sustainable community approach to a mixed-use development, powered by electricity with a net zero carbon footprint.

Completed in April 2021, and formally opened in April 2022, [the HALO Enterprise and Innovation Centre](#) creates an entrepreneurial ecosystem designed to stimulate innovative business practices between new and established businesses.

New business and employment opportunities focus on delivering 'workforces of the future' by offering training in digital skills with key partners. This ecosystem encourages the development of new digital and cyber security products and services, responding to the needs of the energy, health, and space and aerospace sectors.

Project Reflection | Achievements | Top Successes

A range of achievements have been met over the past 18 months and since the formal opening of HALO. This includes continuing to attract and support new businesses to utilise the modern facilities of HALO and contribute to the wider economy of Ayrshire. This includes:

- The company PRA relocated staff plus new staff from other sites (including Kilmarnock) which has resulted in the securing of skilled employment in Ayrshire.
- New Partnership agreed via a MOU with Glasgow Caledonian University
- Established a new fully funded project with Net Zero Scotland that gives access to advice on the business challenges and opportunities afforded by transition to Net Zero
- New agreement package with Ayrshire Chamber of Commerce that allows all to access HALO events
- Held a NASA Event on Space and STEM, with attendance from 200 young people & business. Speaker's included Dr Kate Rubins astronaut plus U.S. Consulate Edinburgh

Ayrshire Engineering Park (Moorfield)

The Ayrshire Engineering Park (AEP) project aims to provide expansion and development of Moorfield Industrial Park in Kilmarnock which is a strategic industrial site for East Ayrshire Council, creating serviced plots and flexible high quality business space, with a range of units to support the advanced manufacturing and light engineering sectors in Ayrshire.

The AEP Project will be co-located at Moorfield, Kilmarnock along with the Ayrshire Manufacturing Investment Corridor project (AMIC) as approved by Government on the 15th March 2024 through the submission of a Change Management paper. The wider site incorporating the two projects has been rebranded and will be known as the Ayrshire Innovation Park (AIP).

The project will contribute towards meeting current demand for new industrial space within East Ayrshire and Ayrshire, where there is a lack of high quality sites and premises that support the growth ambitions of a number of local Ayrshire companies. There is a longstanding issue of market failure in the provision of industrial floor space and premises in Ayrshire as reported in the review of Business and Industrial Land Supply in East Ayrshire, which confirmed there is a poor supply of modern speculative industrial and office facilities in the East Ayrshire Council area compared to other competitor council areas. The construction of this development will help grow local businesses and attract inward investment to an area with above average unemployment and low business investment. It will also help to address a growing issue of ageing, obsolete industrial space.

Project Reflection | Achievements | Top Successes

A significant milestone for the Ayrshire Engineering Park was the purchase of land in March 2023.

The EAC AGD Team have been proactive in raising awareness of key sectors related to the projects within education establishments in East Ayrshire. This ranges from nursery through to secondary education. This programme of activity has been extremely well received by education colleagues and schools are re-evaluating and amending curriculum delivery to align with the Ayrshire Growth Deal. Engaging education colleagues and our young people is critical to the sustainability and legacy of the Ayrshire Growth Deal as these young people are our future entrepreneurs and employees for the businesses this project will support.

Looking forward, the procurement of competent consultancies is set to aid the delivery of the design and planning application process as the project progresses towards delivery.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct-22	Land purchase underway.
Jan-23	Negotiations continue for the land purchase.
May-23	Land purchased for AEP project at Moorfield.
Jun-23	Seeking to co-locate with AMIC to utilise infrastructure.
Aug-23	Agreement for AMIC to co-locate with AEP at the Moorfield site.
Sep-23	Public consultation process for AEP and AMIC.
Nov-23	Presentation to 60 East Ayrshire Head Teachers highlighting the range career opportunities within the Ayrshire Growth Deal Projects and key themes, i.e. Food and Drink, Manufacturing and Renewables.
Nov-23	The 3 public events have now concluded and Members' Briefing being compiled.
Dec-23	Agreed phasing of the development.
Feb-24	AEP/AMIC change request has been received by Government.
Mar-24	Change Request is approved.
	Presentation delivered to SWEIC - South West Education Improvement Collaborative, highlighting opportunities to embed, the Ayrshire Growth Deal themes within the curriculum

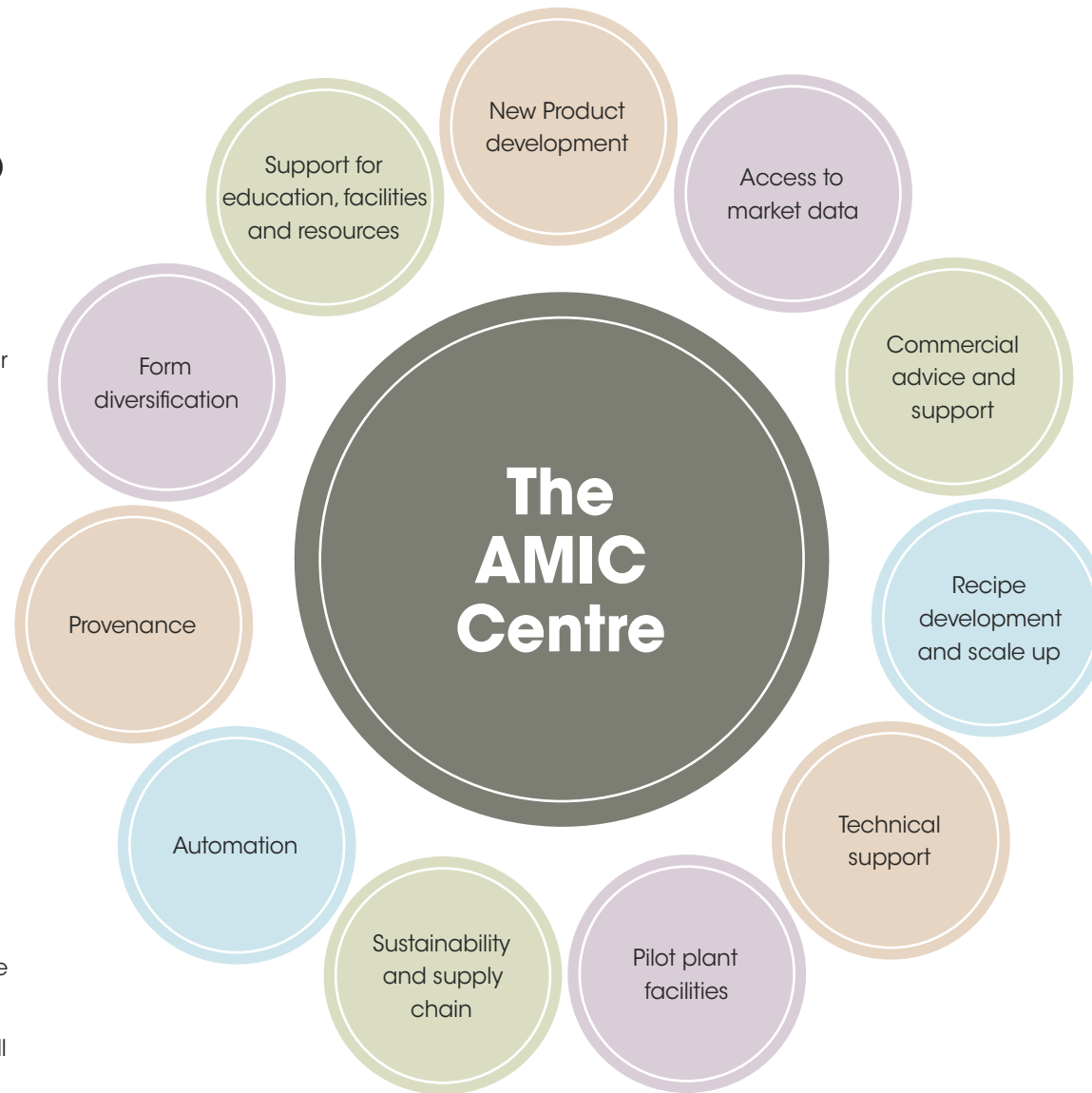
Ayrshire Manufacturing Investment Corridor

The Ayrshire Manufacturing Investment Corridor Project (AMIC) will see the creation of a flagship regional Food and Drink Centre of Excellence.

The project will provide businesses with the knowledge and tools required to reach their productive potential, through increased enterprise, innovation and investment, and by becoming more competitive in the global market place. The project seeks to provide a range of physical infrastructure which will support the sustainability and growth of the advanced manufacturing sector within Ayrshire and beyond.

This project comprises of three elements: high quality modern industrial units for the wider advanced manufacturing sector; and a regionally significant Food and Drink Centre of Excellence, combined with nine on-site support and start-up units. The Centre of Excellence will allow sector specific food and drink businesses to start-up and grow, as well as enabling the growth of existing businesses across Ayrshire and the South West of Scotland.

On completion the Centre of Excellence will provide support across the following areas:



Project Reflection | Achievements | Top Successes

The AMIC Team working in conjunction with SRUC delivering the Digital Dairy Chain project (Strength in Places funding) have selected a site for the Ayrshire Marker Space at Ayrshire College, Ayr Campus which will be operational autumn 2024. The facility will provide businesses the opportunity to develop added value dairy products with the support from technical staff. Work is already underway with the first local business to develop a range of value add dairy products which will be retailed from their existing farm shop.

The AMIC Team in conjunction with Smart Stems through the Digital Dairy Chain project have commenced on a programme of visits, highlighting the career opportunities within the dairy sector and delivering STEM related activities.

The EAC AGD Team have initiated a proactive awareness raising programme of the Ayrshire Growth Deal and key sectors related to the projects within education establishments in East Ayrshire. This ranges from nursery through to secondary education. This programme of activity has been extremely well received by education colleagues and schools are re-evaluating and amending curriculum delivery to align with the Ayrshire Growth Deal. Engaging education colleagues and our young people is critical to the sustainability and legacy of the Ayrshire Growth Deal as these young people are our future entrepreneurs and employees for the businesses this project will support.



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Jan-23	Tenders are out for food and drink specialists for the design and layout aspects of the process.
Feb-23	Site investigation is underway.
Jun-23	Seeking to co-locate with AEP to utilise infrastructure.
Aug-23	Agreement for AMIC to co-locate with AEP at the Moorfield site.
Sep-23	Public consultation process for AEP and AMIC.
Nov-23	Presentation to 60 East Ayrshire Head Teachers highlighting the range career opportunities within the Ayrshire Growth Deal Projects and key themes, i.e. Food and Drink, Manufacturing and renewables.
Nov-23	The 3 public events have now concluded and Members' Briefing compiled.
Dec-23	Agreed phasing of the development.
Feb-24	AEP/AMIC change request has been received by Government.
Mar-24	Change request is approved.
	Presentation delivered to SWEIC - South West Education Improvement Collaborative, highlighting opportunities to embed, the Ayrshire Growth Deal themes within the curriculum

I3 Digital Process Manufacturing Centre (DPMC)

This project proposes a Digital Process Manufacturing Centre (DPMC) at i3 Irvine Enterprise Area, which is a strategic site for North Ayrshire Council and is recognised as a Life Science Enterprise Area.

The project is being supported by the Ayrshire Growth Deal and is being delivered in partnership with NMIS (National Manufacturing Institute Scotland), University of Strathclyde, CPI (Centre for Process Innovation) and with support from Ayrshire College. The project is complemented by the proposal to build new flexible advanced manufacturing space at i3, also supported by the Ayrshire Growth Deal. Combined, both projects will create a central focus and cluster of industry and innovation. The project is targeting companies within the process manufacturing sectors, local companies, including SMEs looking to grow and expand and inward investment companies from Ayrshire, Scotland, the UK and beyond. The facilities will support businesses to improve their productivity and innovation and reduce their carbon footprint, through digital technology. The centre will also offer a space for industry networking and collaboration opportunities. DPMC will be delivered in phases:

- **Phase 0** - initial online phase
- **Phase 1** - a pilot phase commencing 2023 offering the opportunity for businesses to experience demonstrations of digital technologies.
- **Phase 2** - in 2025, a significant purpose-built facility which expands on Phase 1.

Project Reflection | Achievements | Top Successes

Next Steps: The project is preparing for a launch event taking place in early 2025. As well as this, the project is ensuring the:

- Continuation of equipment purchases
- Phase 2 - Centre: Analysis with partners to be complete by March 2025
- Phase 1 to provide scoping parameters for Phase 2.

Top success to date: It has been fantastic to see this project enter its delivery phase with promising progress made. The next year will continue to build on this as the project enters next phases of delivery and benefits realisation.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct-22	Phase 1 tender contract for i3 DPMC was awarded and entered the mobilisations stage.
Mar-23	The i3 DPMC refurbishment contract achieved practical completion.
Jul-23	i3 DPMC fit out was completed.
Jul-23	£1m worth of equipment purchases commence to be carried out over the next years to 2026
Jul-24	Equipment purchased (28% of £1m) including: (1) Industrial Internet of things (IIoT); (2) Laboratory; (3) Augmented Reality (AR) / Virtual Reality (VR); (4) Digital Twin; (5) Robotics / Handling

“The presence of the Digital Process Manufacture Centre (DPMC) in Irvine will enable local companies to access training and support related to digital, and provide them with links to a wider network of technology and innovation through the National Manufacturing Institute Scotland (NMIS) and Centre for Process Innovation (CPI).”

Marnie Ritchie, Project Lead

I3 Flexible Space

The Flexible Space project seeks to provide modern and sustainable business space in an area of market failure where there is a high demand as a high percentage of existing industrial buildings are out-dated, around 40 years old and are not energy efficient.

The project is looking to attract inward investment from advanced manufacturing companies or from local companies seeking to grow and expand. Challenges for the project include balancing current project costs with the allocated funding to prevent shortfalls and financial constraints during implementation. The project is progressing well with no delays reported but with some additional costs anticipated due to utilities issues and likely fit out costs incentives to support interested potential tenants, including digital requirements. An active marketing campaign is seeking tenants for the first unit, and a design has been developed for the second phase which may be supported with leverage funding from the Levelling Up Fund 3, subject to confirmation.

A Strategic Framework has also been prepared for i3, setting out aspirations and opportunities for the area and the potential phases and locations of Flex Space and the DPMC project, as a cluster area and hub for i3. It's anticipated this will be approved by Cabinet and Planning Committee in due course, similar to the approach for the Great Harbour Masterplan.

Benefits are not projected to be impacted, and project interdependencies are only enhanced through the evolving integrated approach to digital projects across the Deal.



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Dec-22	i3 Flexi FBC Phase 1 approved by the Ayrshire Economic Joint Committee.
Jan-23	Contract works commenced for design and build of the site for i3 Flexi Space.
Feb-23	Land purchase for i3 Flexi Space and the stage of tender mobilisation commenced.
Apr-23	Land purchase complete for i3 Flexi project.
Jun-23	Work around the utilities layout at i3 Flexi Space and working with Scottish Water.
Aug-23	Internal property design team work commenced on Phase 2 of i3 Flexi Space.
Nov-23	i3 Flexi ground-breaking ceremony took place.
Jan-24	On site and building work for i3 Flexi Space ongoing.

Project Reflection | Achievements | Top Successes

The i3 Flexible Business Space project is in delivery with progress being monitored in terms of overall floorspace that can be delivered, subject to costs and available budget. The project is being developed simultaneously with the i3 Digital Process Manufacturing Centre (DPMC) project that NAC is delivering in partnership with NMIS and CPI. The DPMC pilot phase is located immediately adjacent to the Flex Space Phase 1 site.

Phase 1 of the project is on schedule to be completed on time and with limited increased budget so far. This includes the need to undertake redesign of the project, due to utility infrastructure being beyond expected location. In parallel, the draft i3 Strategic Framework is completed which will enable development of subsequent phases.

Prestwick Roads

Funding for Prestwick Transport Infrastructure will create an effective network of internal roads to enable the creation of high specification industrial and office spaces, while supporting our sustainable transport aims.

This investment will meet the needs of the growing aerospace sector, advanced manufacturing units, spaceport and launch operator infrastructure. The roads project will link to infrastructure developments enabled by the AGD investment, and further development is underway to ascertain strategic possibilities.

Project Reflection | Achievements | Top Successes

South Ayrshire Council is continuing to push forward on the development and delivery of key projects within the Ayrshire Growth Deal, in partnership with the UK and Scottish Governments, Scottish Enterprise and other local and national agencies.

Partners are working within agreed budgets to ensure public money is being spent appropriately, while making sure that Growth Deal funding delivers benefits for communities and enhances the regional attractiveness of South Ayrshire for further investments.

South Ayrshire Council and regional partners will continue discussions with Scottish and UK Governments to explore alternative investment proposals that will maximise the economic growth opportunities of this ambitious £251m Growth Deal programme by 2030.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Jan-23	ARA are now leading on the project and are working towards a STAG to inform the OBC.
Feb-23	ARA are reviewing the project and have had a response back from Transport Scotland.
Mar-23	Consultations have been issued with project scopes and briefs, waiting on tenders back.
May-23	A three phase approach is being considered.
Jun-23	Work underway in addressing Transport Scotland requirements with regards to STAG.
Jan-24	Progression continues with the STAG Report.
Mar-24	STAG report expected in June '24



Space and Aerospace Programme

This programme focusses on positioning Ayrshire as one of the UK's leading centres of aerospace and space activity.

Spaceport Infrastructure

Spaceport project has been unable to continue within the constraints of the Growth Deal, due to a range of challenges faced including:

- lack of feasible delivery model;
- lack of feasible operating model;
- lack of necessary funding;
- lack of sound economic case for proceeding;
- issues with the proposed site including it being potentially land locked and no funding to finance a land lease.

The Lead local authority has been committed to exploring all viable routes and exhausting options before the acceptance of the current position where the Spaceport Infrastructure project is not viable through the AGD. Comprehensive insight and underpinning evidence has been gathered to enable the endorsement of the current position by the Ayrshire Economic Partnership Board and Joint Committee, as well as the UK and Scottish Governments.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Nov-22	OBC approved and working towards FBC.
Feb-23	FBC is in development, issues around the land purchase.
Apr-23	Progress underway of FBC.
May-23	Further work being undertaken in review due to cost increase.
Aug-23	Update on increased costs provided.
Sep-23	EKOS are updating the Economic Modelling for Spaceport.
Oct-23	Project under review and Steering Group set up.
Nov-23	The Economic Impact Assessment has been updated to take into consideration the increased costs and what benefits will still be deliverable.
Dec-23	Paper presented to the Partnership Board with recommendations.
Feb-24	Paper presented to the Joint Committee with recommendations.
Mar-24	Decision making for Spaceport has been escalated to Government as per Grant terms.

Project Reflection | Achievements | Top Successes

South Ayrshire Council is continuing to push forward on the development and delivery of key projects within the Ayrshire Growth Deal, in partnership with the UK and Scottish Governments, Scottish Enterprise and other local and national agencies.

Partners are working within agreed budgets to ensure public money is being spent appropriately, while making sure that Growth Deal funding delivers benefits for communities and enhances the regional attractiveness of South Ayrshire for further investments.

Going forward, investment in the Prestwick Spaceport project will not be considered as part of the Growth Deal. Significant work is being carried out to define the scope and requirements of other projects to meet current and future needs of the aerospace sector as part of a wider Growth Deal Programme Review.

South Ayrshire Council and regional partners will continue discussions with Scottish and UK Governments to explore alternative investment proposals that will maximise the economic growth opportunities of this ambitious £251m Growth Deal programme by 2030.



Prestwick Commercial Space

Scottish Enterprise (SE) and the Commercial partner Company A mutually terminated the Agreement for Lease and project in March 2024. The project has been unable to proceed in its agreed form. This has been predominantly due to a lack of available funding to meet cost overruns and alternative proposed tenant for the facility.

A review of the Aerospace and Space programme is currently underway, which will include consideration of the project objectives of Commercial Space.

Project Reflection | Achievements | Top Successes

South Ayrshire Council is continuing to push forward on the development and delivery of key projects within the Ayrshire Growth Deal, in partnership with the UK and Scottish Governments, Scottish Enterprise and other local and national agencies.

Partners are working within agreed budgets to ensure public money is being spent appropriately, while making sure that Growth Deal funding delivers benefits for communities and enhances the regional attractiveness of South Ayrshire for further investments.

South Ayrshire Council and regional partners will continue discussions with Scottish and UK Governments to explore alternative investment proposals that will maximise the economic growth opportunities of this ambitious £251m Growth Deal programme by 2030.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Jan-23	Enabling works commence in regards to the Company A element of the project.
Mar-23	Mobilisation of delivery underway with land assembly complete.
Apr-23	FBC approved.
May-23	Funding has still to be determined.
Aug-23	Regular progress meetings are being held with key partners
Sep-23	Rising costs threaten the delivery of the project. Company A have been doing some fundraising to meet the required funds.
Nov-23	Increased costs and shortfall in funding has meant the change management process is being considered.
Dec-23	Agreement that proposed changes for this project to be included in the Programme Review.
Feb-24	The project is at a crucial decision making point regarding the fundraising for Company A.
Mar-24	Company A issue a press release about not progressing with the project.

Aerospace and Space Technology Application Centre (ASTAC)

The revised named ASTAC project creates a Technology, Skills & Training Centre in the heart of the Prestwick Aerospace Cluster. ASTAC will focus on support to the supply chain for the aerospace and aeronautics sectors working closely with industry and academic partners. The centre will create facilities to support academic, business, and industrial technology development, skills and training, and applied research and development.

Innovation will focus on implementation of industry 4.0 across the whole supply chain supporting productivity innovation and industrialisation of new digital and other emerging technologies that facilitates industry applications to Technology Readiness level (TRL) 5 and above. The initial focus will be on the introduction of Industry 4.0 techniques and process and related skills development associated with the Maintenance, Repair and Overhaul (MRO) sector. ASTAC will support the development of training and creating additional skilled resources to ensure the MRO sector at Prestwick can remain competitive, as well as providing opportunities for staff retention and development at a time when there is pressure to improve efficiency, productivity, and capacity.

Future developments will support wider opportunities in both the aerospace and aeronautical sector. The centre aims to support UK Aerospace and Space suppliers in exploiting opportunities arising from technology changes by improving skills and access to accredited training within established supply chains. The project will provide a means to engage a higher proportion of SME's in the innovation process and will be complimentary to existing centres such as the Spirit Aerospace Innovation Centre, National Manufacturing Institute of Scotland (NMIS) and the wider catapult network.

Project Reflection | Achievements | Top Successes

Key successes include letters of support from stakeholders/Ayrshire College and conclusion of the options appraisal on location.

Progression with this project is subject to change request approval from the Governments in compliance with the Growth Deal governance process, as well as comments from Chief Officers and members. Any finalised options will require Cabinet approval from SAC and relative board approval from Ayrshire College. Any significant review on additional options will require time to implement and this could delay initial timelines. The project is critical regarding the pipeline for skill requirements at Prestwick Aerospace cluster and is fully supported by both SAC and Ayrshire College. The project is set to be a key component of the evolving project proposals within South Ayrshire.

Focus in the coming year will be to gain pace with the development phase of this project so delivery can commence as soon as possible.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Nov-22	OBC submitted to Government.
Jan-23	OBC feedback from UKG & SG has been received and passed on to Project Leads.
Mar-23	A new project plan is being designed.
May-23	Under review with project refocusing on training aspects, with Ayrshire College taking active role in that development.
Sep-23	Site locations being considered.
Nov-23	Ongoing discussion with Ayrshire College.
Jan-24	Working towards OBC and talks are continuing with Glasgow Prestwick Airport regarding space for the facility.
Mar-24	Business case review with Ayrshire College finance team.



Energy, Circular Economy and Environment Programme

This programme will unlock the benefits of developing low carbon energy technologies and solutions. Ayrshire's location and natural resources offer the potential to create new jobs, reduce carbon emissions and contribute to achieving net zero by 2045.

Community Renewable Energy (CoRE) project

[Community Renewal Energy \(CoRE\) Project \(youtube.com\)](https://www.youtube.com/watch?v=...)

Formerly known as 'National Energy Research Demonstrator'

This Community Renewable Energy (CoRE) project will create a Centre of Excellence and supporting demonstrator projects which aim to overcome, through research and design, a range of technical challenges that currently prevents the harnessing of local but intermittent energy generation, and its storage and subsequent transmission onto the grid during periods of high demand.

The project will provide solutions to energy supply and storage challenges in urban and non-urban locations, with the Cumnock area providing a unique location to investigate a wide mix of solutions due to its unique geography, landscape and the way the land has been exploited in the past for mining.

The Centre of Excellence will become a hub for vocational training, skills development and STEM education, to bridge the regional skills gaps which exist within the renewable and sustainability sectors. The Centre will help to build the skills capacity which is required for Ayrshire to meet its clean growth ambitions, whilst enabling our communities to benefit from the economic and educational benefits tied to net-zero. A programme of demonstrator projects will be undertaken during the lifetime of the CoRE project, and will look at solving local issues with transitioning to as low carbon as possible. The Demonstrator Projects give the CoRE project a unique opportunity to be at the forefront in helping communities to transition to a low carbon future, and contribute to the Scottish Government's climate change targets.

The CoRE project will reduce energy bills for local businesses and communities, leading to a regional reduction in the number of people living in fuel poverty. The project will create new jobs, apprenticeships and space for new economic activities allowing enterprises to be created in a deprived area.



Project Reflection | Achievements | Top Successes

Key highlights for the project include:

Through our partnership with Scottish Power Energy Networks (SPEN) £150,000 funding has been secured through the Strategic Investment Fund (SIF) to deliver the feasibility phase of an Equiflex flexible energy project. The project will develop flexible energy solutions and an engagement toolkit, to enable provision of flexible energy to vulnerable and hard-to-reach householders to reduce fuel poverty levels. Following completion of the feasibility phase, the team will have the opportunity to apply for additional funding rounds to implement the solutions developed within the target group.

The project team have developed a project plan for re-scope and design of the Centre of Excellence. A partnership consultation strategy is being implemented, which will provide evidence to determine the demand, scope and requirements for constructing a Centre of Excellence in Cumnock. The process will also enable operational and revenue models to be established, to ensure a sustainable legacy building is constructed which provides a pipeline of employment and skills development opportunities.

The EAC AGD Team have initiated a proactive awareness raising programme of the Ayrshire Growth Deal and key sectors related to the projects within education establishments in East Ayrshire. This ranges from nursery through to secondary education. This programme of activity has been extremely well received by education colleagues and schools are re-evaluating and amending curriculum delivery to align with the Ayrshire Growth Deal. Engaging education colleagues and our young people is critical to the sustainability and legacy of the Ayrshire Growth Deal as these young people are our future entrepreneurs and employees for the businesses this project will support.

The next steps for CORE over the next year include the submission of Phase 1 FBC for pathfinder demonstrator projects; (2) Commence delivery of programme of pathfinders; (3) Enable Partner consultation process for Centre of Excellence building.

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Nov-22	University of the West of Scotland and Ayrshire College come on board with the CoRE project.
Dec-22	Phased approach for FBCs considered.
Jan-23	Work is underway for the demonstrator projects with EAC and Uni of Strathclyde.
Feb-23	Working group meet to establish the potential Partnership Board members and the finalisation of the governance.
May-23	The Demonstrator Project exercise with University of Strathclyde is progressing well.
Aug-23	CoRE is over budget and report is underway.
Oct-23	CoRE Partnership Board is set up and meets for the first time.
Nov-23	Presentation to 60 East Ayrshire Head Teachers highlighting the range career opportunities within the Ayrshire Growth Deal Projects and key themes, e.g. Food and Drink, Manufacturing and renewables.
Nov-23	Partnership Board now consists of; CC, UWS, Strathclyde University, SPEN, SE, Ayrshire College and EAC.
Dec-23	Eight specialist partnership working groups have been established as part of the project's governance structure. Over 40 partnership organisations are inputting to the working groups, who are contributing to development of the demonstrator projects and re-design of the Centre of Excellence facility.
Jan-24	Project Board has met and demonstrator projects being identified.
Feb-24	Working to identify an energy partner for both sites.
Mar-24	Presentation delivered to SWEIC - South West Education Improvement Collaborative, highlighting opportunities to embed, the Ayrshire Growth Deal themes within the curriculum

Hunterston Strategic Development Area

Hunterston is a strategic site within Scotland’s Fourth National Planning Framework (NPF4), offering a unique industrial capacity associated with strategic infrastructure such as rail; utilities; and grid connections; deep water marine access and proximity to key academic research and innovation resources across the Ayrshire region and beyond.

As Scotland’s largest strategic deep-water port with direct rail and grid connections, the site has a critical role in Scotland’s Energy, Blue Economy, Offshore Wind and the Circular Economy futures. Investment within Hunterston will utilise these key assets to address larger scale energy and decarbonisation infrastructures associated with marine renewable energy (3rd generation); energy storage and production and circular economy drivers.

Initial investment will act as an enabler to provide commercial space to support blue, green and circular economies activity on-site. These activities align with the Zero Carbon 2045 National Strategy.

Project Reflection | Achievements | Top Successes

The project has experienced key partner and personnel changes which has impacted progress. NAC as lead Authority continues to pursue and investigate relevant interventions for the project to maximise the outcomes and outputs for the region.



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct-22	Scoping workshop to develop OBC
Feb-23	NAC revisited alternative options due to a key partner no longer committed to the project.
May-23	Demand and needs analysis commissioned.
July-23	Demand and needs report shared with key partners
Nov-23	Meeting with SE to discuss land purchase opportunities
	MOU evolved between SE/NAC/Peel Ports to move the project forward.
Mar-24	Site tour undertaken to develop and strengthen key partnership approach

International Marine Science and Environmental Centre (IMSE)

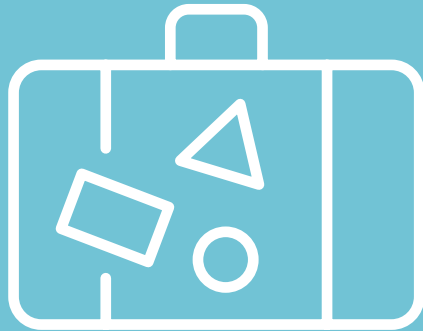
The International Marine Science & Environmental (IMSE) project is a Centre of Excellence & Innovation developed between industry and academic partners. It will develop and capture innovation in marine sciences; marine spatial planning; marine technology; and marine education and training, and ensure that the Firth of Clyde is recognised as an exemplar in marine sustainability and living laboratory for blue economy innovation, research and demonstrator activities. The new International Marine Science and Environmental Centre (IMSE) will ensure that the Firth of Clyde is recognised as an exemplar in the Blue Economy and marine sustainability. IMSE will be an applied sciences centre and will bring together leading academics. This has gained momentum through partnership with the Field Studies Council (FSC).

Project Reflection | Achievements | Top Successes

IMSE is continuing development work through a strong partnership approach, set to maximise investment through a world class facility leading on blue economy innovation, research and demonstrator activities.



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Nov-22	Developing OBC.
Feb-23	MOU in place with University of Stirling and the IMSE project.
May-23	Collaboration agreement progressed with the University of Stirling and North Ayrshire to help support the development of the OBC.
Jul-23	Field Studies Council Millport identified as a main partner.
Nov-23	Collaboration agreement developed with the Field Studies Council.
Mar-24	A meeting with UK and Scottish Governments held to update on project progress and planning assumptions.



Tourism Programme

Tourism is a key sector in Ayrshire and this programme will build on and strengthen the existing tourism offer to make the region a highly desirable place to visit and live, work and invest in.

The Great Harbour, Irvine Harbourside

Great Harbour is a key tourism led regeneration, place making and destination development project for Irvine and the wider Ayrshire Coast with £14m committed from the AGD to a phased programme of works which will lead the physical transformation of the wider location, create capacity to support community participation and commercial opportunities.

The development of the Great Harbour will create a unique coastal destination comprising a number of key assets to attract new visitors to the area and create jobs. It will build on the unique qualities of place, creating a national waterfront destination focussed on a series of activity hubs and dynamic event spaces. These will include heritage, arts, maritime and outdoor active leisure and activity hubs, providing an animated waterfront that connects from town centre to coast. It will unlock a series of secondary development opportunities which will contribute to the creation of a premium regional coastal destination that delivers Community Wealth Building opportunities.



Project Reflection | Achievements | Top Successes

The completion of a detailed Masterplan for Great Harbour, followed extensive stakeholder consultation and Planning Committee approval, and sets out the aspirations for the Great Harbour area and the focus of AGD investment. There has been significant progress in the development of Phase 1 – the Coastal Hub to tender and submission of the related Full Business Case to Scottish Government. A Memorandum of Understanding with Scottish Maritime Museum has been signed in relation to the development of Phase 3 - Marine Heritage Hub and a contract has been awarded for conservation repairs to the Harbour Master's Office (supported through Vacant and Derelict Land Funds).



PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Oct-22	Review of masterplan.
Dec-22	Coastal Hub entered design stage.
Jan-23	Design work for the FBC and the wider project.
Feb-23	Initial focus identified on the play park area.
Apr-23	Detailed masterplan complete alongside business case pathways, partnership arrangements and a wider delivery strategy.
May-23	Designer appointed for Phase 1 Coastal Hub.
Aug-23	Consultation on the masterplan for the Coastal Hub completed.
Nov-23	Initial design completed and detailed design phase commenced.
Jan-24	Planning application for the Coastal Hub submitted and MOU for Maritime Hub is in development.
Mar-24	Planning permission was granted for the first phase.

Marine Tourism

The Marine Tourism project will focus on developing the marine offer to support key components of the marine leisure, recreation and blue economy in North Ayrshire. Investment at key destinations on the Ayrshire islands will build the potential of the Firth of Clyde region as a significant inclusive, and accessible place for marine based activities. Components of the project include the development of new networks and infrastructure to grow marine sector economies and benefit communities.

Project Reflection | Achievements | Top Successes

Successes to date: Project successes to date relate to the development of the Cumbrae Outline Business Case and options for Arran marine infrastructure, as well as the completion of the Millport Flood Prevention Scheme breakwaters which will enable the creation of a marina at Millport. Going forward the project seeks to build on the successful establishment of community and stakeholder project working groups to help support the progress and delivery of the projects.

Next Steps: The next steps for the programme include the submission of Programme Business Case in response to Government feedback. Following this, the submission of Cumbrae OBC and preparation of Arran OBC.

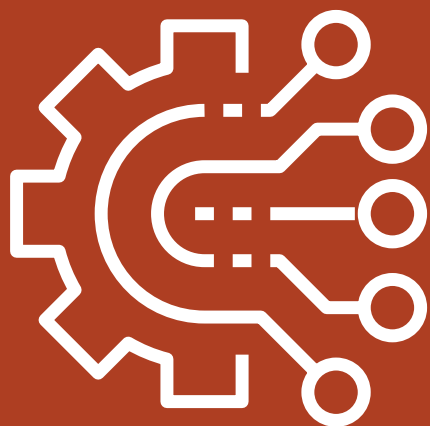


"The Marine Tourism Programme delivers essential transformational change by creating marine infrastructure to connect people and places, stimulating marine and blue economy sectoral growth and ongoing investment that produces multifaceted, sustainable benefits for Ayrshire and the Islands. The Programme is critical to support thriving islands as places to live, work and play."

Kathleen Dow, Project Lead

PROJECT JOURNEY

DATE	MILESTONE / ACTIVITY
Oct-22	Marine Programme viability studies under consideration.
Nov-22	Business Case development commenced
Feb-23	Further investigations into site related costs, affordability and deliverability undertaken.
Apr-23	Analysis enables response to feedback received on Programme Business Case and identifies next steps within current cost environment.
May-23	New iteration of the PBC in development.
Jun-23	Cost increases are substantial.
Jul-23	A Programme Change of Scope under development in response to cost increases.
Aug-23	Options analysed and appraised.
Nov-23	Project engaged with community stakeholders to further review and cost-benefits appraisals.
Jan-24	PBC submitted to Government.
Mar-24	Project presentation and engagement at the Ayrshire and Arran Marine Tourism Conference 2024.



Digital Programme

The Building Digital Capital (BDC) project is a new project proposal which is aimed at enhancing digital infrastructure and capabilities across the region

Subsea Cable and Digital Infrastructure

In response to subsea cable project not being feasible within the confines of the Ayrshire Growth Deal, a project has been devised to ensure a response to the increasing demand for digital infrastructure development, underpinned by a comprehensive review of options detailed papers submitted to Government.

The proposal is to consolidate the two digital projects and merge their funding, leading to the 'Building Digital Capital' project, supported by the Ayrshire Economic Partnership Board and Joint Committee.

The Building Digital Capital (BDC) project is a new project proposal which is aimed at enhancing digital infrastructure and capabilities across the region, reflecting the Deal's original digital infrastructure theme objectives. Key AGD projects are proposed to receive a share of the £14 million Digital allocation. £11 million from the UK Government and £3 million from the Scottish Government.

The BDC project is an investment in digital infrastructure in Ayrshire, which will deliver a strategic initiative, designed to address two of Ayrshire's most pressing needs: improving digital connectivity and enhancing the deliverability of key projects within the AGD.

Comprehensive proposals and details regarding the BDC project have been submitted to UK and Scottish Government to enable a decision on the route forward. Confirmation of the revised programme is expected late 2024.

The BDC project aims to improve:

- **Physical Infrastructure:** Installation of digital infrastructure across key sites to provide adequate bandwidth, facilitating productive digital data exchange and supporting inclusive growth. By investing in physical infrastructure, the BDC programme enables access to high-speed internet and connectivity which is essential for businesses, educational institutions, and residents to engage fully in the digital economy and challenging the deprivation of this within the region.
- **Digital Intelligence:** Enhancing abilities to access, manage, understand, and utilise digital technologies safely and effectively for employment, entrepreneurship, job creation and investment across the region.

- **Empowerment:** Improving digital capabilities to enhance living standards and support income-generating digital activities in the economy and communities across Ayrshire.
- **Employment:** Creating direct and indirect jobs by developing digital skills and enhancing workers' ability to use digital technology.

Since endorsement from AEPB & AEJC in November 2023, change management processes have been ongoing, anticipated to draw to a conclusion in Autumn 2024. This will see the BDC Programme guided by the development and delivery of business cases in line with the HM Treasury Green Book and AGD Governance process. This flexible approach ensures each project can enhance its digital infrastructure in alignment with broader objectives and local circumstances.

Project Reflection | Achievements | Top Successes

Tangible deliverables are yet to be realised, but a key achievement that has been met through the review of the Digital Programme, has been the re-alignment of the emerging proposal with the wider strategic framework for the Digital Economy for Ayrshire.

This includes ensuring the delivery of the allocated AGD funding of £14m is used effectively to support the emerging growth points identified through the Deal, with 'host' sites benefiting from a share of the funding, in order to enhance the digital infrastructure of the projects and the wider local area. As well as ensure compatibility with the recently awarded £3m of UK Government funding to help deliver enhanced 5G capacity in Ayrshire (e.g. 5GIR).

PROJECT JOURNEY	
DATE	MILESTONE / ACTIVITY
Dec-22	Paper presented to Joint Committee requesting a re-scope of the project.
Jan-23	Re-scoping exercise is underway.
Mar-23	First re-scoping workshops have taken place.
Apr-23	Meeting held with Partnership Board - agreed to explore further options identified and to undertake further discussion with Government.
May-23	2 key options are being explored for the project.
Aug-23	Re-scoping exercise is nearing completion.
Nov-23	The Joint Committee agrees that the Digital projects are re-scoped and renamed to Building Digital Capital.
Dec-23	SROs have been meeting to discuss who will be beneficiaries of the Building Digital Capital.
Mar-24	Change Request submitted for Building Digital Capital project.



The Year Ahead

The period from October 2022 to March 2024 has been a transformative phase for the Ayrshire Growth Deal (AGD), marked by significant development and delivery progress across multiple key projects.

The strategic investment of £251 million continues to fuel economic growth, enhance infrastructure, and promote sustainable development throughout the region. The collaborative efforts between the Scottish and UK Governments, local authorities, private and third-sector partners have played a critical role in driving this progress.

Progress has been achieved in key sectors, setting the foundation for long-term job creation and improved local prosperity. Additionally, investment in skills development and inclusive growth initiatives has positioned Ayrshire to become more competitive in the global economy while addressing regional disparities.

Looking forward, the AGD remains committed to delivering on its promises, adapting to emerging challenges, and ensuring that the region reaps the full benefits of the projects in motion. As we move into the next phase, the focus will be on maximising the impact of ongoing investments and continuing to leverage partnerships for the sustainable development of Ayrshire. All partners recognise the need to deliver at pace against the programme review's findings and look forward to increased collaboration and momentum going forward.

Together, these efforts will pave the way for a resilient and thriving economy that benefits current and future generations across the region.

General Enquiries

For all general enquiries, please contact info@ayrshiregrowthdeal.co.uk

Further information - Social media



AGD website:
www.ayrshiregrowthdeal.co.uk



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Ayrshire Economic Joint Committee reports can be found on the Ayrshire Growth Deal website - [Partnership | Ayrshire Growth Deal](#)

[Ayrshire Economic Joint Committee Papers](#)

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Digital Infrastructure			
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i3 Flexible Space			
International Marine Science & Environment Centre (IMSE)			
Hunterston Strategic Development Area			
Marine Tourism			
Great Harbour			
Working for a Healthy Economy	North Ayrshire Council Pan-Ayrshire		
Ayrshire Skills Fund			
Community Wealth Building			

Glossary

AGD	Ayrshire Growth Deal	NAC	North Ayrshire Council
AMIC	Ayrshire Manufacturing Investment Corridor	NHS	National Health Service
AREP	Ayrshire Regional Economic Partnership	NMIS	National Manufacturing Institute Scotland
ASIC	Aerospace and Space Innovation Centre	NPF3	Third National Planning Framework
ASIF	Ayrshire Skills Investment Fund	OBC	Outline Business Case
BREEAM	Building Research Establishment Environmental Assessment Method	PMO	Programme Management Office for AGD
BRP	Benefits Realisation Plan	R&D	Research and Development
CAA	Civil Aviation Authority	RES	Regional Economic Strategy
CBT	Cognitive Behavioural Therapy	RSIP	Regional Skills Investment Plan
CoRE	Community Renewable Energy project	SAC	South Ayrshire Council
COVID	Coronavirus disease of 2019	SAMH	Scottish Association for Mental Health
CPI	Centre for Process Innovation	SAV	Strategic Added Value
CWB	Community Wealth Building	SDS	Skills Development Scotland
DPMC	Digital Processing Manufacturing Centre	SE	Scottish Enterprise
EAC	East Ayrshire Council	SMAS	Scottish Manufacturing Advisory Service
EASA	European Union Aviation Safety Agency	SPEN	Scottish Power Energy Networks
FBC	Full Business Case	STAG	Scottish Transport Appraisal Guide
GPA	Glasgow Prestwick Airport	STEM	Science, technology, engineering and mathematics
IMSE	International Marine Science and Environmental Centre	STPR2	Second Strategic Transport Projects Review
LSO	Launch Service Operator	TACT	The Ayrshire Community Trust
LSP	Launch Service Providers	TRLs	Technology Readiness Levels
MMIC	Medicines Manufacturing Innovation Centre	TSA	Technology Safeguards Agreement
MoU	Memorandum of Understanding	UKG	UK Government
MRO	Maintenance, Repair and Operations	UKSA	UK Space Agency

