

Ayrshire Economic Joint Committee
13 September 2021

At a Meeting of the Ayrshire Economic Joint Committee at 2.00 p.m. involving participation by remote electronic means.

Present

Councillors Joe Cullinane, Marie Burns and Alex Gallagher (North Ayrshire Council); Peter Henderson (South Ayrshire Council); Tom Cook, John McGhee and Douglas Reid (Item 3 onwards) (East Ayrshire Council).

In Attendance

C. Hatton, C. Mcauley and N. Mcilvanney (North Ayrshire Council); E. Fraser, D. McDowall and A. Craig (East Ayrshire Council); E. Howat and D. Gillies (South Ayrshire Council); S. Foster (Spirit AeroSystems); P. Zealey (Skills Development Scotland); C. Turnbull (Ayrshire College); G. Adam (Scottish Enterprise); E. Mackay, Chief Auditor (East Ayrshire Council); and A. Little (North Ayrshire Council).

Apologies

Brian Connolly (South Ayrshire Council).

Chair

Councillor Joe Cullinane in the Chair.

1. Appointment of Chair

It was noted that under the Terms of Reference for the Ayrshire Economic Joint Committee, the Chair of the Joint Committee was due, from September 2021, to rotate to South Ayrshire Council for the period up until September 2022.

It was unanimously agreed to appoint Councillor Peter Henderson as Chair of the Joint Committee for the period up until September 2022.

2. Minutes

The Minutes of the meeting of the Joint Committee held on 24 May 2021 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Review of Working Arrangements and Development of Regional Economic Strategy

Submitted report by Craig Hatton, Chief Executive North Ayrshire Council on behalf of the three Council Chief Executives on the review of working arrangements and the next steps in the development of the Regional Economic Strategy.

The Joint Committee asked questions and were provided with further information in relation to:-

- The impact of the pandemic on the development of the Strategy and work that will be done to bring it back into alignment with the Regional Skills Investment Plan;
- Governance and procurement issues that have affected the Skills Fund; and
- A procurement exercise that will be undertaken to commission external expertise that brings particular skills and knowledge in respect of developing an inclusive and well-being economy for Ayrshire

The Committee agreed (a) to the strengthened working arrangements for the Partnership and the formation of a Regional Strategy Working Group; (b) to note that Terms of Reference based on the broad remit outlined at Section 11 of this report be developed for the Regional Strategy Working Group for consideration at the next meeting of the Joint Committee; and (c) on behalf of the Partnership, the three Councils commission external expertise that brings particular skills and knowledge in respect of developing an inclusive and well-being economy utilising Community Wealth Building principles to develop a Regional Economic Strategy for consideration at a future meeting of the Committee.

4. Ayrshire Growth Deal Programme Update

Submitted report by Allison Craig, Ayrshire Growth Deal Strategic Manager on the progress of the Ayrshire Growth Deal and the development of its component projects as at 30 August 2021. Appendix 1 to the report outlined the Ayrshire Growth Deal Quarterly Update of Programme and Projects. The Draft Implementation Plan was provided at Appendix 2 and Appendix 3 detailed the Benefits Realisation Plans – Guidance for Regional Partnerships.

The Joint Committee asked questions and were provided with further information in relation to:-

- The target date for the Skills Fund that was set within the Implementation Plan and will be reviewed to ensure the start date is still appropriate;
- Ongoing management of the slippage in some projects to bring the overall programme back on track;
- Lobbying of the UK and Scottish Government in respect of carbon emissions;
- Two potential landing sites in Ayrshire for the subsea fibre optic cable and discussions on a range of factors with the UK Government that are ongoing;
- Inflationary pressures that require to be managed to deliver capital projects on budget;
- A specific agenda item, or special meeting, on risk, where there is a specific risk that requires to be discussed; and
- An imminent announcement from the Scottish Government on the future of Prestwick Airport.

The Committee agreed to (a) note (i) the updates provided in the report; (ii) the progress across the Ayrshire Growth Deal Programme; (iii) the approach and timescales for the Benefits Realisation Plan; (iv) the target dates for business case approvals; (v) anticipated slippage of business case milestones and risk to financial drawdown; and (vi) the main strategic and operational risks; and (b) approve the updated Implementation Plan.

5. Food Procurement Contracts: Supply and Delivery of Fresh/Organic Food Stuffs

Submitted report by David McDowall, Head of Economic Growth on the results of the recent procurement exercise undertaken by East Ayrshire Council in relation to its fresh and organic foodstuff contracts and to highlight the successful bidders. The Progress Report to the Executive Oversight Group was attached at Appendix 1 to the report.

The Joint Committee asked questions and were provided with further information in relation to:-

- A report to the Lead Officers Group on the involvement of other anchor institutions; and
- Work with local businesses on co-operative working and contingency plans that are in place to ensure consistent supplies.

The Committee noted (a) the outcome of the recent tendering exercise undertaken in respect of its fresh and organic foodstuffs contracts; and (b) that the majority of successful tenderers are Ayrshire-based suppliers, demonstrating the Council's commitment to the principles of Community Wealth Building as set out in the Anchor Charter.

6. Clean Growth Workstream: Ayrshire Energy Masterplan

The Committee was advised that this item had been withdrawn.

7. Ayrshire Growth Deal: Internal Audit Annual Report 2020/21

Submitted report by Eilidh Mackay, Chief Auditor on the Ayrshire Growth Deal Internal Audit Annual Report 2020/21. Appendix 1 detailed the AGD Governance Document (Internal Audit Extract). East Ayrshire Council Internal Audit Annual Opinion 2020/21 was provided at Appendix 2. Appendix 3 and 4 outlined the North Ayrshire Council Internal Audit Annual Opinion 2020/21 and South Ayrshire Council Internal Audit Annual Opinion 2020/21 respectively.

The Joint Committee asked a question and were provided with further information in relation to:-

- Individual detailed audit work that provides sound assurance; and
- The most that Internal Audit will provide in the annual opinion is reasonable assurance, based on the risk based plan and a rolling programme of work.

Noted.

8. Ayrshire Growth Deal: Internal Audit Plan 2021/22

Submitted report by Eilidh Mackay, Chief Auditor on the Ayrshire Growth Deal Internal Audit Plan 2021/22. Appendix 1 to the report detailed the AGD Governance Document (Internal Audit Extract) and the AGD Consolidated Internal Audit Annual Plan 2021/22 was provided at Appendix 2 to the report.

The Joint Committee asked questions and were provided with further information in relation to:-

- Separate audits that are undertaken to examine the governance arrangements in place in each of the councils to support the processing of the AGD projects; and
- Oversight that is provided by the Chief Auditor (East Ayrshire Council) and reported in the annual consolidated internal audit plan in line with obligations laid out in the AGD Governance Document.

Noted.

The meeting ended at 3.05 p.m.