

AYRSHIRE ECONOMIC JOINT COMMITTEE

MEETING – 13 SEPTEMBER 2021

REPORT BY HEAD OF ECONOMIC GROWTH, COMMUNITIES AND ECONOMY: EAST AYRSHIRE COUNCIL

SUBJECT: AYRSHIRE GROWTH DEAL - PROGRAMME UPDATE

PURPOSE OF REPORT

1. To advise the Economic Joint Committee Members of the progress of the Ayrshire Growth Deal and the development of its component projects as at 30 August 2021 (Appendix 1).

RECOMMENDATIONS

2. It is recommended that Members:
 - (i) Note the updates provided in the attached report;
 - (ii) Note the progress across the Ayrshire Growth Deal Programme;
 - (iii) Approve the updated Implementation Plan;
 - (iv) Note the approach and timescales for the Benefits Realisation Plan;
 - (v) Note the target dates for business case approvals;
 - (vi) Note anticipated slippage of business case milestones and risk to financial drawdown;
 - (vii) Note the main strategic and operational risks.

BACKGROUND

3. This progress report is being used across the Ayrshire Growth Deal's governance structure to monitor progress across all aspects of the Ayrshire Growth Deal (AGD). The format of the report follows a Red/Amber/Green (RAG) exception reporting approach. The guidance covers the project stages, as well as the criteria associated with the RAG status against milestone timeline, scope, budget and overall, and the necessary action required. Tables 1 and 2 below show the guidelines that Project Leads and the Programme Management Office (PMO) use to agree the RAG status and action required.

Table 1: Programme Updates – Guidance

RAG Status	Programme Milestone Timeline Status (T)	Overall	Action Required
Red	Delay to delivery timeline of key milestone having a negative impact on programme	One or more milestones are RED	Immediate action required by senior management and relevant Boards as appropriate to address issues
Amber	Milestone slipping against planned date but not expected to impact delivery of the programme	No milestones are highlighted RED but at least one is AMBER	Management action is in place by PMO and/or senior management to address issues
Green	On track to deliver milestone on time or early	All milestones are GREEN	No management action required
Complete	Milestone delivered	n/a	No management action required

Table 2: Project Updates - Guidance

RAG Status	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall	Action Required
Red	Delay to delivery timeline of key milestone having a negative impact on project completion date	Significant change in scope expected, with no change request in process	There are projected or actual adverse variances with recovery plan to be established	One or more time, scope or budget indicators are RED	Immediate action required by senior management and relevant Boards as appropriate to address issues
Amber	Key milestone missed or projected to miss against planned date but not expected to negatively impact the original project completion date	Likely to be minor changes in scope within agreed business case OR scope is still developing OR significant change request not yet approved	There are projected or actual adverse variances, however a recovery plan is in place	No time, scope or budget indicators are RED but at least one is AMBER	Management action is in place by PMO and/or senior management to address issues
Green	On track to deliver milestone on time or early	Scope has been set and on plan with agreed business case AND/OR formal change request approved	There are no actual or projected variances	All time, scope and budget indicators are GREEN	No management action required
Complete	Milestone delivered	Project complete and all items in scope delivered	Financial transactions relating to project have been settled	If all the time, cost, scope and benefits realisation indicators are complete	No management action required
Future	N/A	N/A	Business Case more than one year away from submission	N/A	No management action required

MAIN REPORT

- A summary of the current status of programme priorities and the development work associated with individual projects is contained within the progress report attached to this covering report. In this update, the overall status for the programme is assigned at 'red'. This is due to slippage in receiving approval of the Outline Business Case (OBC) and Full Business Case (FBC) for the Ayrshire Skills Fund resulting in the original project completion date having to be extended. The overall status for all other projects, with the exception of i3 Flexible Space, is 'amber'. The overall status for i3 Flexible Space is 'green'. Paragraph 20 provides further information on the Ayrshire Skills Fund project and actions being taken. There are no actions required from the Joint Committee at present. Some issues may be significantly impacted by Covid-19 and/or Brexit which cannot be fully quantified at present. A failure to address issues and meet next key milestones could negatively impact on the Growth Deal Programme if not mitigated against (Appendix 1).

KEY POINTS

- The Deal documents – Financial Plan, Implementation Plan, Governance Document and Communications Protocol are subject to annual review to take account of project variances. Given the changes to the funding profile over 10 years and the introduction of a change management process, these were reviewed by partners and approved by the Joint Committee on 24 May 2021.
- The Implementation Plan submitted to the Joint Committee on 24 May 2021 did not include some indicative milestone dates for those projects which were less well developed at that time (Hunterston, IMSE, i3 DPMC, Marine Tourism). UK Government and Scottish Government colleagues have since requested that this information be included and estimated dates are now available and have been included in the revised Implementation Plan and shared with UK Government and Scottish Government colleagues for approval. During the period when these dates were being decided, programme milestones and risks, and project risks were updated to reflect the current position. The revised Implementation Plan is subject to Joint Committee approval (Appendix 2).
- As part of the Ayrshire Growth Deal Document and Grant Offer Letter for the AGD dated 9 August 2021 (to be agreed), a number of conditions have been set including a

requirement to develop a Benefits Realisation Plan (BRP), which should complement the Annual Performance Report (date to be agreed).

8. The primary objectives of the BRP, as outlined in the guidance issued by the Scottish Government (Appendix 3), are to:
 - Demonstrate - for the benefit of local, regional and national stakeholders - the outputs, outcomes, and impacts realised as a result of Deal investments in projects;
 - Identify, collate, and explain the collective benefits of the Deal as a whole, which may be wider than individual project outputs, outcomes, and impacts;
 - Provide accountability for both government and partner investment;
 - Enhance the operational effectiveness of existing projects; and
 - Improve potential future initiatives through the capture, dissemination, and application of learning.
9. The BRP will demonstrate cross-cutting links with other areas of work within the Deal including the Implementation Plan and its annual review, the Inclusive Growth agenda, Clean Growth, Community Wealth Building, including community benefits, and will support the delivery of the Monitoring and Evaluation of the Deal.
10. In collaboration with Tay Cities Deal PMO, consultants familiar with the process across other Deals will be jointly procured to undertake development of the first iteration of the BRP for each Deal. By working with Tay Cities, whose Deal was signed around a similar time, sharing of best practice and some economies of scale will hopefully be achieved.
11. To date, the AGD PMO has been an active member of the PMO Benefits Realisation sub-group that stems from the National PMO Networking Group. Led by both Ayrshire and Moray Growth Deals, the sub-group has developed a set of common, consistent and comparable outputs and outcomes and impact measures across common City Region Deal themes. This work will support the development of the AGD BRP content.
12. The timeline for completion of the BRP and overarching strategy for the AGD is end of February 2022. The BRP will be subject to Joint Committee approval.
13. A monitoring and evaluation framework for the HALO project has been developed by the PMO and Scottish Enterprise. This will feed into the wider Benefits Realisation Plan (BRP) for the programme as this develops.
14. In terms of those projects being implemented or in delivery: the building work on the HALO Enterprise and Innovation Hub is largely complete. East Ayrshire Council Building Standards have accepted the completion certificate for the building and owner's minor snagging repairs are currently being carried out. The building is now expected to open early October 2021.
15. Due to delays in receiving government approval of the Community Wealth Building (CWB) business case and recruitment of staff, the launch of the project has been impacted and the project completion date will extend. However, nearly all staff are now appointed or already in post (with the exception of the CWB Programme Manager which has been re-advertised and a CWB Business Locality Officer post in East Ayrshire Council) which will drive CWB Fund spend and the development of the Fair Work Ayrshire programme.

16. Implementation Plans for the Working for a Healthy Economy project are progressing, with the contractor, NHS Salus, now taking referrals of unemployed residents from East and South Ayrshire, as well as North Ayrshire. Governance arrangements for the project have been approved by the Project Board. Preparations for project implementation will continue, with the launch of services to the business community due to commence in the autumn when it is hoped that business will be more receptive to the service offer, as the economy re-opens and businesses re-stabilise and recover.
17. As regards all other AGD projects, partners and government are working towards business case approval timelines, as set out in this report (Appendix 1) and summarised in Table 3 below. This matches with the timeline for drawing down funds from government over the 10 years of the AGD, as set out in the draft Financial Plan approved at the Joint Committee meeting on 24 May 2021. The dates are subject to business cases being approved by government prior to Joint Committee approval. The RAG status set against each target date for OBC approval reflects that reported within the update attached to this report (Appendix 1).

Table 3: Target dates for OBC and FBC approvals

Ayrshire Growth Deal - Project Name	Target date for OBC approval	Target date for FBC approval
HALO Kilmarnock - Phase 1	Approved	Approved
Community Wealth Building	Approved	Approved
Working for a Healthy Economy	Approved	Approved
Ayrshire Skills Fund	30-Jun-21	13-Sep-21
Community Renewable Energy project (CoRE)	22-Aug-21	30-Jan-22
Prestwick Commercial Build	30-Aug-21	30-Jan-22
Digital – Key Digital Infrastructure	1-Oct-21	1-Feb-22
Digital – Subsea Cable	1-Oct-21	1-Feb-22
Prestwick Roads - Phase 1	30-Aug-21	28-Feb-22
i3 Flexible Space	Approved	28-Feb-22
Spaceport Infrastructure	30-Oct-21	31-Mar-22
Aerospace & Space Innovation Centre (ASIC)	30-Oct-21	30-Jun-22
Ayrshire Engineering Park (Moorfield)	31-Jan-22	30-Jun-22
Great Harbour	Approved	30-Jun-22
Prestwick Roads - Phase 2	30-Aug-21	31-Dec-22
Ayrshire Manufacturing Investment Corridor (AMIC)	31-May-22	30-Apr-23
i3 Digital Processing Manufacturing Centre (DPMC)	30-Nov-21	30-Jun-23
Hunterston Strategic Development Area - Phase 1	28-Feb-22	30-Jun-23
Marine Tourism (Ardrossan)	31-Mar-22	30-Sep-23
International Marine Science and Environmental Centre (IMSE) - Phase 1	28-Feb-23	30-Jun-24
Marine Tourism (Transit Marinas)	31-May-23	31-Dec-24

18. The Scottish Government approved the OBCs for the Great Harbour and i3 Flexible Space projects on 25 June 2021 when it was confirmed that both projects can progress to FBC stage.
19. Although, the target date for OBC approval of some projects is anticipated to miss against the planned date, any slippage is not expected to negatively impact on the project completion date at this stage, with the exception of the CWB project as mentioned above, and the Ayrshire Skills Fund project. The target date for FBC approval for the Ayrshire Skills Fund project was the 13 September 2021 Joint Committee meeting.
20. North Ayrshire Council (NAC) are leading on the Ayrshire Skills Fund project. The way in which the fund is governed and distributes funding is currently being

explored. Colleagues within NAC have sought external legal advice in terms of the project governance options. This information has now been received and being considered across the three Councils. The OBC will be delayed until a preferred governance model is decided. Slippage of the OBC and FBC target approval dates of 30 June and 13 September 2021 respectively will mean that there is a material risk that spend will not be incurred as planned this financial year. All efforts will be made to mitigate this risk.

21. The National Energy Research Demonstrator project has changed its name to the CoRE, Community Renewable Energy (project), which appeals to community and academics alike.
22. The revised OBC for the CoRE project was submitted to government mid-July and feedback has now been received from UK Government policy colleagues. The feedback is currently being addressed and OBC updated by the project team.
23. Following submission of the OBC in July, on 4 August, the under Secretary of State for Scotland, Mr Iain Stewart visited Cumnock to hear more about the CoRE project and visit the project site.
24. The next iteration of the OBC for the i3 DPMC project has been shared with government and feedback has now been received from UK Government policy and is currently being considered by the project team.
25. Although Covid-19 has introduced uncertainty around how projects will fit with the new economic realities, there is no proposal at this stage in relation to project substitution. It seems likely, however, that some projects may have to be adjusted going forward.
26. Ekos has been appointed by Skills Development Scotland (SDS) to lead on the development of the Ayrshire Regional Skills Investment Plan (RSIP) over the next six months and Paul Zealey, SDS, Regional Skills Planning Lead will lead this work from an SDS perspective. The RSIP for Ayrshire will be developed collaboratively with partners across local authority boundaries to embed an evidence based approach to skills planning, investment and delivery that is aligned to the needs of employers and the regional economy. The work will include the identification of the key elements of developing the AGD skills pathway work. A Steering Group has been set up to support this work and SDS, Ayrshire College, UWS and the AGD PMO have all agreed to supporting through this group. Introductory meetings have taken place between Ekos, the RSIP Steering Group and the Ayrshire Skills Group to discuss initial preparatory work required.

PROGRAMME RISKS

27. Strategic and operational risk registers continue to be developed, reviewed and updated for the AGD Programme. It is recognised that in pursuit of the Partnership's commitment to achieving positive outcomes from the AGD, it may choose to accept an increased degree of risk. The risk registers will be a key element of that decision making process, ensuring that potential benefits and risks are fully understood before actions are authorised and that sensible measures to mitigate risk are established.
28. The main strategic risks associated with the Deal at present relate to the impact of Covid-19 and the potential consequences of Brexit. Operationally, delays to the development and submission of business cases and/or any associated delays to governments approving, as well as failure to provide accurate projections for

programme spend and drawdown available funding, would adversely impact on the ambitious plans for implementation (Appendix 1).

NET ZERO IMPLICATIONS

29. The PMO and Project Leads have been working with colleagues in Scottish Government to discuss programme and project alignment with Scotland's transition to net zero carbon emissions by 2045. The carbon management process being implemented by the Scottish Government will allow the carbon emissions impact of the AGD to be assessed then minimised.

FINANCIAL IMPLICATIONS

30. The financial implications arising from this report are covered through the Financial Plan approved at the Joint Committee meeting on 24 May 2021.
31. Once approval of the 10-year financial profile is received from both UK and Scottish Governments, the Tripartite Agreement will be signed by both governments and the Section 95 Officer on behalf of East Ayrshire Council as the Accountable Body.
32. A Grant Offer Letter has been issued by the Scottish Government for this financial year (2021/22) for £5.85 million. This sum is based on projected drawdown as at 10 May 2021 for those projects currently being implemented, as well as those projects targeted to receive FBC approval and thereafter move to implementation this financial year. Relevant spend incurred to date by projects moving into implementation this year has also been taken into account. Table 4 below summarises the projected Grant claim.

Table 4: Projected Grant Claim/Draw Down from Government 2021/22

PROJECT NAME (FBC expected to be approved in 2021/22)	SPEND INCURRED BY LA'S TO DATE		PROJECTED SPEND	PROJECTED GRANT CLAIM
	2019/20	2020/21	2021/22	2021/22
Spaceport Infrastructure	40,374	827,410	1,200,000	2,067,784
Commercial Space - Prestwick - Industrial & Hangar	39,664	94,424	65,912	200,000
Prestwick Infrastructure - Roads	13,264	100,374	186,362	300,000
i3 Flexible Business Space	33,643	73,941	392,000	499,584
National Energy Research Demonstrator (NERD)	6,840	341,899	600,000	948,739
Marine Tourism	21,308	70,606	0	91,914
Working for a Healthy Economy	0	0	663,000	663,000
Ayrshire Skills Investment Fund	0	0	150,000	150,000
Community Wealth Building Fund	0	0	928,676	928,676
	155,093	1,508,654	4,185,950	5,849,697

33. The first claim since Deal signing (Q1 2021/22) has been made to the Scottish Government for £69,000 which is made up of expenditure associated with the Community Wealth Building and Working for a Healthy Economy projects. This claim will be actioned following agreement of the Grant Offer Letter. The financial position statement for July within the progress report reflects the claim (Appendix 1).
34. Dates proposed by government for our Annual Report and Conversation are out of sync with all other AGD documents and thereby do not align with the Grant Offer Letter, Implementation or Financial Plans i.e. the financial year. This matter has been raised

with government colleagues and we await clarification prior to signing the Grant Offer Letter.

35. It should be noted that any delays to finalising business cases and governments approving the same for early implementation projects will affect the ambitious spend profiles we are currently working with and will impact on drawdown of funding from government. Monitoring of performance is therefore an essential component of the work of partners.
36. Some slippage is forecast across the majority of projects expected to drawdown funding this financial year putting the £5.85 million estimated drawdown this financial year at risk. Senior Responsible Officers (SROs) and Project Leads are assessing where time savings can be made between OBC and FBC approval where possible. SROs and Project Leads are also considering acceleration of other projects in line with need and opportunity where possible. Capital project costs are being monitored and discussed with regional partners and UK and Scottish Governments.
37. The National Deal PMO network has been sharing information in terms of concerns over price increases experienced in 2021 across a number of large capital projects and the uncertainty of prices going forward. Material shortages have placed immense demand pressure on available supplies and prices. There would appear to be a range of reasons including the Covid pandemic influence on mass shift of people from cities to suburban and rural areas resulting in an increase in new houses with gardens, as well as market reductions in outputs during the pandemic.
38. Given that the impact on Deals is likely to be significant in terms of increased costs affecting the scope and delivery of projects, the PMO co-ordinated evidence across Deals and submitted a collective case to both UK and Scottish Governments asking that flexibility in the capital spend be considered. A response has now been received and whilst there is no additional funding available within the Deals programme, both governments recognise the challenges we face are largely beyond our control. Both governments have advised that they will work with us to consider, on a project by project basis, what measures can be taken to ensure delivery continues to progress in line with expectations.
39. In terms of funding to decarbonise the Deal (see paragraph 29) and associated projects, both governments have reported back that there is currently no additional funding available within the Growth Deal programme to support decarbonisation. The PMO will continue to liaise with both governments to ascertain whether there are any other possible funds that the AGD can bid for.
40. The additional grant revenue funding of £135,000 secured from the Scottish Government's Regional Recovery Fund and used to finance feasibility studies and enabling works across six AGD projects has now been received. One of the conditions of grant was to produce an evaluation report, summarising all activity undertaken under the auspices of the Regional Recovery alongside associated outputs and outcomes. The report has now been completed and submitted to the Scottish Government.

LEGAL IMPLICATIONS

41. The legal implications arising from this report are covered through the Agreement between Ayrshire's Councils and the Governance Document which was approved at the Joint Committee meeting on 24 May 2021.

HUMAN RESOURCES IMPLICATIONS

42. There are no human resource implications arising from this report.

EQUALITY IMPACT ASSESSMENT

43. There is no equalities impact relating to this report. Inclusion is a key driver for the AGD. Project leads will be required to complete an Equality Impact Assessment for their project and append to the associated business case. Project leads have received Equality Impact Assessment training organised by the Scottish Government. Project Leads are being encouraged by the PMO to link up as soon as possible with their Equalities Officer within their authority who will be able to assist with this matter.
44. A Monitoring and Evaluation Framework will be developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework. This will form part of the annual reporting process.

APPENDICES

Appendix 1: Ayrshire Growth Deal Quarterly Update of Programme and Projects

Appendix 2: Draft Implementation Plan

Appendix 3: Benefits Realisation Plans – Guidance for Regional Partnerships

Background Papers:

[Heads of Terms](#), signed by both the UK and Scottish Governments and Ayrshire's Councils on 8 March 2019

[Deal Document](#), signed by both the UK and Scottish Governments and Ayrshire's Councils on 19 November 2020

[Ayrshire Economic Joint Committee - Ayrshire Growth Deal – Report 24 May 2021](#)

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APPENDIX 1

Ayrshire Growth Deal Quarterly Update of Programme and Projects

Programme Updates - Guidance

RAG Status	Programme Milestone Timeline Status (T)	Overall	Action Required
Red	Delay to delivery timeline of key milestone having a negative impact on programme	One or more milestones are RED	Immediate action required by senior management and relevant Boards as appropriate to address issues
Amber	Milestone slipping against planned date but not expected to impact delivery of the programme	No milestones are highlighted RED but at least one is AMBER	Management action is in place by PMO and/or senior management to address issues
Green	On track to deliver milestone on time or early	All milestones are GREEN	No management action required
Complete	Milestone delivered	n/a	No management action required

T: Status against milestone timeline set out in Implementation Plan
Milestones – current financial year and next financial year

Programme Dashboard – 30 August 2021

Overall Staus Last Period	Overall Status This Period

Financials Summary

Total AGD Grant £'000	AGD Grant Drawdown to Date £'000	2021/22 AGD Grant Allocation £'000	2021/22 Grant Drawdown £'000
206,000	7,069 3.43%	5,850	69

Top 5 Risks (from PMO Risk Register)

Risk	Impact	Likelihood	Score	Mitigating Action
Potential impact of Brexit on economic prosperity of region	4	4	16	<ul style="list-style-type: none"> Incentives and other forms of assistance to complement the AGD and stimulate greater economic activity. Regional Economic Partnership will provide voice for Ayrshire to press the case for government intervention investment. Regular dialogue takes place between PMO and Project Leads where issues are raised in advance and if appropriate escalated to Government, Regional Economic Partnership and Regional Economic Joint Committee. A Monitoring and Evaluation Framework will be developed with both governments. Change management process developed with both governments.
Covid-19 impacting on the AGD projects resulting in potential delays and cost increases	4	4	16	<ul style="list-style-type: none"> Regular review of outputs and timelines for business cases at every stage of development. Continued monitoring of external environment and government relations. Regional Economic Strategy will be developed and implemented. Regional Skills Investment Plan will be developed and implemented and directed at both employer and resident needs. Robust data analysis, shared amongst key partners and stakeholders. Projects have been mandated to include Covid-19 assessments within all Business Cases.
Failure to provide accurate projections for programme spend	4	3	12	<ul style="list-style-type: none"> Project spend profiles and Deal documents reviewed to take account of compressed UKG funding over 10 years. Project Leads have confirmed accuracy and Finance Directors have approved. Accuracy of financial profiling is likely to be greater for early delivery projects. PMO will regularly review, challenge and agree financial profiling with Project Leads, SROs and Finance Directors and ensure drawdown projections align with delivery timescales. OBCs/FBCs include an optimism bias factor. Inflationary factor included in cost estimations. Issues will be escalated to CEOs and Regional Economic Partnership as appropriate.
Failure to drawdown full AGD funding	4	3	12	<ul style="list-style-type: none"> The financial profiling has been reviewed and updated to take account of UKG compressed funding to 10 years and project developments. PMO will regularly review, challenge and agree financial profiling/phasing with Project Leads, SROs and Finance Directors and ensure drawdown projections align with delivery timescales. Achieve business case approval in line with Deal Implementation Plan. Annual review of Financial Plan and Implementation Plan. SG's financial reporting requirements will be implemented. Pivot projects proactively where possible in line with need and opportunity. Internal procedures, financial controls and audit processes being put in place to mitigate this risk.
Delays in development and approval of business cases	4	3	12	<ul style="list-style-type: none"> All projects now have either an SBC or an OBC in place and these are subject to focused discussions with SG and UKG – Covid-19 has caused delays with negotiations and sign offs. Other partners assisting in developing business cases where capacity is low. PMO working closely with Project Leads and Policy Leads within UKG and SG to support business case development and approval to an agreed timeline.

Programme Milestone	Target Date	RAG
Signed Tripartite Financial Agreement	30-Sep-20	Amber
AGD website developed, designed and launched	28-Feb-21	Complete
Performance management systems established	31-Mar-21	Complete
Secured and spend additional £135k revenue from Scottish Government Regional Recovery Fund	31-Mar-21	Complete
HALO Build Complete (Phase 1)	30-Apr-21	Complete
HALO Building open to occupants (Phase 1)	30-Apr-21	Amber
I3 Flexible Space OBC approved by Government - SG	1-May-21	Complete
Great Harbour OBC approved by Government - SG	30-May-21	Complete
Update and approval of Deal Documents 2021/22	30-Jun-21	Amber
Grant Offer Letter 2021/22 received and agreed	30-Jun-21	Amber
Develop and agree Change Management process	30-Jun-21	Complete
Develop and Issue Financial Guidance to Project Leads	30-Jun-21	Complete
Ayrshire Skills Fund OBC approved by Government	30-Jun-21	Red
Community Benefits Tracker web enabled and live	30-Jun-21	Complete
Key project interdependencies articulated	30-Jun-21	Amber
Economic modelling updated for all land use projects at OBC stage	30-Jun-21	Amber
CoRE OBC approved by Government	22-Aug-21	Amber
Prestwick Commercial Space OBC approved by Government	30-Aug-21	Amber
Prestwick Roads - Phase 1 & 2 OBC approved by Government	30-Aug-21	Amber
Scottish Government Regional Recovery Fund 2021 Evaluation Report completed and returned	31-Aug-21	Complete
Upcoming Programme Milestone	Target Date	RAG
Develop and Issue Performance Guidance to Project Leads	30-Sep-21	Green
Digital Subsea Cable OBC approved by Government	01-Oct-21	Amber
Digital Infrastructure OBC approved by Government	01-Oct-21	Amber
Spaceport Infrastructure OBC approved by Government	30-Oct-21	Amber
ASIC OBC approved by Government	30-Oct-21	Amber
Future Programme Milestone	Target Date	RAG
Draft Annual Report	tbc	Green
I3 DPMC OBC approved by Government	30-Nov-21	Green
Consistent approach to measuring carbon impact of projects	31-Dec-21	Green
Moorfield OBC approved by Government	31-Jan-22	Green
Annual Conversation	tbc	Green
Annual Report	tbc	Green
Develop and agree Monitoring and Evaluation Framework	28-Feb-22	Green
Develop and agree Benefits Realisation Plan	28-Feb-22	Green
Hunterston Strategic Development Area - Phase 1 OBC approved by Government	28-Feb-22	Green
Marine Tourism (Ardrossan) OBC approved by Government	31-Mar-22	Green
Identification of the key elements of developing the AGD skills pathway work	31-Mar-22	Green
Inclusive Growth outcomes embedded in business cases for projects being implemented 2021/22	31-Mar-22	Green
Clean Growth outcomes embedded in business cases for projects being implemented 2021/22	31-Mar-22	Green

Financial Position Statement

AGD PROJECTS - COMPLETE	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 2017/18 to 2020/21 £'000
HALO	9,000	7,000	7,000	10,524
	9,000	7,000	7,000	10,524

FINANCIAL POSITION STATEMENT	
FINANCIAL YEAR	2021/22
QUARTER	2
MONTH	JULY

AGD PROJECTS - EXPECTED FBC IN 2021/22	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 2017/18 to 2020/21 £'000	Total Expenditure 2021/22 YTD £'000
Spaceport Infrastructure	23,000	23,000	0	908	190
Commercial Space - Prestwick - Industrial & Hangar	29,000	22,000	0	122	57
Prestwick Infrastructure - Roads	17,000	12,000	0	101	22
13 Flexible Business Space	15,000	11,000	0	117	0
Community Renewal Energy (CoRE)	0	17,000	0	349	95
Marine Tourism	9,500	9,500	0	117	1
Digital Subsea cable	11,000	11,000	0	17	6
Digital Infrastructure	3,000	3,000	0	0	0
Working for a Healthy Economy	5,000	5,000	31	0	67
Ayrshire Skills Investment Fund	3,500	3,500	0	0	0
Community Wealth Building Fund	3,000	3,000	38	0	50
	119,000	120,000	69	1,729	489

Government Grant 2021/22 £'000						
Grant Allocation	Grant Claimed Q1	Grant Claimed Q2	Grant Claimed Q3	Grant Claimed Q4	Total Grant Claimed YTD	Remaining Grant Available to Claim in year
2,068					0	2,068
200					0	200
300					0	300
500					0	500
949					0	949
92					0	92
0					0	0
0					0	0
663	31				31	632
150					0	150
929	38				38	891
5,850	69	0	0	0	69	5,781

AGD PROJECTS - FUTURE	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 2017/18 to 2020/21 £'000	Total Expenditure 2021/22 YTD £'000
Ayrshire Manufacturing Investment Corridor (AMIC)	23,500	23,500	0	21	0
Aerospace & Space innovation Centre (ASIC) and Visitor Centre	11,000	5,000	0	182	16
Ayrshire Engineering Park (Moorfield)	16,000	12,000	0	36	0
13 Digital Processing Manufacturing Centre	6,000	5,000	0	124	3
Hunterston Strategic Development Area	18,000	18,000	0	89	0
The Great Harbour, Irvine Harbourside & Ardeer	14,000	9,000	0	131	8
International Marine Science & Environmental Centre (IMSE)	10,500	6,500	0	62	0
	99,000	79,000	0	644	27

AGD TOTAL	227,000	206,000	7,069	12,898	516
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Project Stages		Stage Definition			
Define - SBC		Establishing the strategic context for the spending proposal			
Define - OBC		Establishing the preferred option			
Define - FBC		OBC approved by government, securing delivery plans and finalising detailed costing			
Implement		Business case has been approved by Joint Committee, and is being implemented			
Deliver		Project is in place and monitoring and evaluation is in framework to assess if it is achieving its objectives			
Legacy		Project has resulted in mainstreaming or improvements to business as usual (impact) that is generated beyond the funded period			
RAG Status	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall	Action Required
Red	Delay to delivery timeline of key milestone having a negative impact on project completion date	Significant change in scope expected, with no change request in process	There are projected or actual adverse variances with recovery plan to be established	One or more time, scope or budget indicators are RED	Immediate action required by senior management and relevant Boards as appropriate to address issues
Amber	Key milestone missed or projected to miss against planned date but not expected to negatively impact the original project completion date	Likely to be minor changes in scope within agreed business case OR scope is still developing OR significant change request not yet approved	There are projected or actual adverse variances, however a recovery plan is in place	No time, scope or budget indicators are RED but at least one is AMBER	Management action is in place by PMO and/or senior management to address issues
Green	On track to deliver milestone on time or early	Scope has been set and on plan with agreed business case AND/OR formal change request approved	There are no actual or projected variances	All time, scope and budget indicators are GREEN	No management action required
Complete	Milestone delivered	Project complete and all items in scope delivered	Financial transactions relating to project have been settled	If all the time, cost, scope and benefits realisation indicators are complete	No management action required
Future	N/A	N/A	Business Case more than one year away from submission	N/A	No management action required

T: Status against milestone timeline set out in Business Case/Implementation Plan
S: Status against scope set out in Business Case
B: Status against budget set out in Financial Plan
Milestones – current financial year and next financial year

PMO = Programme Management Office
SBC = Strategic Business Case
OBC = Outline Business Case
FBC = Full Business Case

Project Updates – Space and Aerospace Programme – 30 Aug 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
AEROSPACE & SPACE INNOVATION CENTRE (ASIC) including Visitor Centre Project Lead: Alison Blair	Define - OBC	Pilot aerospace and space supply chain programme start	31-Mar-21	Complete	Amber	Amber	Amber	Draft Business Case has been received from consultant and being reviewed to identify additional requirements and timescales. The target date for the OBC to be submitted to the PMO has been pushed back again to end of September 2021 putting OBC approved date of October 2021 at risk.
		Pilot aerospace digital visualisation suite programme start	31-Mar-21	Complete				
		OBC Approved by Government	30-Oct-21	Amber				
SPACEPORT INFRASTRUCTURE Project Lead: Michael O'Brien	Define - OBC	Consenting and licencing plan sign off	31-Mar-21	Amber	Amber	Amber	Amber	Draft Economic Impact Assessment received and reviewed. Further work by the consultants is required and estimated date for completion is end of September. Project is working with SFT and SE to do due diligence on launch service provider (LSP). The sale of GPA has still to be confirmed - engagement of new owner will need to take place to inform the OBC. The team continue to engage with the Airport. RIBA Stage 1 study and report complete and being reviewed by the team and recommendation will be prepared which will feed into the Gateway review. The Gateway review date has slipped due to completion of quality assurance on the blast safety analysis which this will confirm the technical feasibility of the spaceport operation. Due diligence exercise of LSP1 has been completed and the report is positive and now looking to plan for announcement of LSP1's intention to locate and invest at Prestwick. The delays in finalising the sale of GPA could impact on the programme meeting the first commercial launch date of September 2023 and the team are reviewing the programme to identify where time savings can be made to bring the programme back on track. The target date for submission of OBC to the PMO has been pushed back by a month to end of September 2021. Delays encountered could potentially impact on OBC approval date of 30 October 2021.
		RIBA Stage 1 Feasibility study completed	30-May-21	Amber				
		Environmental Impact Assessment	30-Aug-21	Amber				
		OBC Approved by Government	30-Oct-21	Amber				
		RIBA Stage 3	30-Nov-21	Amber				
		FBC approved by Joint Committee	31-Mar-22	Amber				
		Launch Service Operator secured	31-Mar-22	Amber				
COMMERCIAL SPACE – HANGAR / INDUSTRIAL UNITS Project Lead: Theo Leijser	Define - OBC	Agreement on development strategy	31-May-21	Amber	Amber	Amber	Amber	Recent developments in aero/space cluster means that new opportunities for growth have arisen and the first set of commercial developments and development strategy are being amended. These new opportunities, as well as capacity constraints have meant that the target date for OBC submission to the PMO has been pushed back again to end of September 2021. This means the target date for OBC approval by Government of 30 August will slip. Recruitment for a project lead is underway.
		Financial model agreed and approved	31-May-21	Amber				
		OBC Approved by Government	30-Aug-21	Amber				
PRESTWICK INFRASTRUCTURE – ROADS Project Lead: Alison Blair	Define - OBC	OBC approved by Government	30-Aug-21	Amber	Amber	Amber	Amber	Comments from TS received 29 March resulted in commissioning a STAG-Lite to encompass the whole Roads Infrastructure project, which would then be incorporated into a single OBC rather than the muted two-phase approach. TS are seeking a more in-depth analysis from the STAG-Lite; reflecting the change in the transport policy and guidance landscape since the Infrastructure Roads SBC was prepared. This impacts on the preparation timescales and follow-on OBC revision. The next iteration of the OBC has been pushed back again to end of September 2021 causing the target OBC approval date of end of August to slip. However the active input of TS to the STAG-Lite should assist Government's decision making mitigating impact on the due date.

Project Updates – Economic Infrastructure Programme – 30 Aug 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
AYRSHIRE ENGINEERING PARK (MOORFIELD) Project Lead: Fiona Paterson	Define - OBC	Developed Design (RIBA Stage 3) Report	01-Dec-21	Green	Green	Amber	Amber	Results from preliminary site investigations were received in February 2021 and additional work required to confirm conditions at the site. Access to the site has been delayed and now likely to take place in September 2021. The approval date for OBC has been updated to reflect this. Tender has been awarded to Dougall Baillie Associates to undertake a site access study and is due to be completed Aug 2021. Costings of this are unknown and could lead to budget variance which is why the project budget status is shown as Amber. Project is also progressing an independent valuation of the site.
		Full planning application submitted	12-Dec-21	Green				
		OBC approved by Government	31-Jan-22	Green				
		Land purchase complete	31-Mar-22	Green				
AYRSHIRE MANUFACTURING INVESTMENT CORRIDOR (AMIC) Project Lead: Gillian Morton	Define - OBC	Site location confirmed	31-Oct-21	Green	Amber	Amber	Amber	Project is liaising with Transport Scotland in relation to the LDP2 TIA and a consultant has been appointed. This will look at, among other things, the impact of AMIC site being located near Bellfield interchange. The project is also considering other sites and undertaking a feasibility study at Kilmarnock North to understand any constraints for development there and the consultant will also undertake a comparative exercise considering the previous study undertaken for Bellfield to establish the preferred site. Following the ambition setting workshops, the project is continuing to engage with local businesses and engagement undertaken with the farming community to understand approaches to diversification and how the project could potentially support this. Also further considering Phase 1 support which can be provided to the sector prior to the AMIC site being developed, which would also build up an appetite for the physical site. The first webinar was held on 9th July on "Food Flavours & Trends" with good attendance and excellent feedback from businesses. Further webinar topics are being considered for future events. Project Scope highlighted as amber due to site appraisal and selection still to be finalised. Project budget shown as amber to highlight that budget may be reviewed due to site selection and costings as a result to develop site.
		OBC approved by Government	31-May-22	Green				
i3 FLEXIBLE SPACE Project Lead: Marnie Ritchie	Define - OBC	OBC approved by Government	01-May-21	Complete	Green	Green	Green	The project received OBC approval on 25 June. The development of a detailed design is progressing for the first unit on the site which will be a 20,000 sqft industrial unit. The majority of ground investigations have been completed and findings report received on 30 July for review. In summary there are no significantly onerous requirements for the construction of the Phase 1 unit. A small number of borehole locations require to be investigated following the bird nesting season but these are outwith the location of the first unit. Work will soon begin on an FBC. Strathclyde University has been appointed to look at the energy requirements for the units and where the use of low carbon and renewable energy supplies can be utilised. There has been some consultation with Planning and Roads on the draft masterplan and the DPMC Steering Group and an overview of the i3 Ayrshire Growth Deal projects was provided to the Irvine Locality Planning Partnership on 14 June 2021. It is anticipated that further information sharing may be required as the masterplan is finalised and the flexible space project develops.
		Procurement of professional team (Phase 1)	30-Jun-21	Complete				
		Consultation with Planning and Stakeholders on draft masterplan (Phase 1)	30-Jun-21	Complete				
		Completion of flexible space outline designs through masterplan process (Phase 1)	30-Jun-21	Complete				
		Transfer of land from Scottish Enterprise	30-Sep-21	Green				
		Ground investigations complete	30-Sep-21	Green				
		Submission of detailed planning application	30-Sep-21	Green				
i3 DIGITAL PROCESSING MANUFACTURING CENTRE (DPMC) Project Lead: Marnie Ritchie	Define - OBC	Establishment of project governance – SBC & RIBA Stage 0: Project Definition	31-Aug-20	Complete	Green	Amber	Amber	An MoU with NMIS, CPI and NAC agreed. Work is taking place with NMIS who are leading on the development of the OBC with particular focus on the operational model for the Centre. CPI are also providing support. A draft OBC and related economic modelling has been prepared but is likely to be subject to further modifications as the project develops. Draft OBC submitted to government 16 July and feedback being considered. Various funding sources are being explored to address the capital and revenue funding requirements. The project is being developed in three phases with Phase 0 launched August 25. The launch of a Phase 1 pilot in an existing building is proposed for early 2022 and a new permanent facility is scheduled for delivery in 2025. NAC's Cabinet recently agreed to support the development of the project in relation to the OBC for Phases 1 and 2, the launch of the initial phase and approving a related MoU and an allocation of £1M from the Ayrshire Growth Deal for Phase 1, subject to detailed proposals. In addition, NMIS obtained similar approval through their Board. A bid has been made by NMIS to the Community Renewal Fund for £494k to help support the delivery of Phase 0 and the development of Phase 1.
		Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	30-Sep-21	Green				
		OBC approved by Government	30-Nov-21	Green				
HALO KILMARNOCK LTD Project Lead: Gary Deans	Define - OBC	Payment of retentions and final drawdown	31-Mar-21	Complete	Amber	Complete	Amber	The building work on the Enterprise and Innovation Hub is largely complete. EAC Building Standards have accepted the completion certificate for the building and owner's minor snagging repairs are currently being carried out. All of the sustainable energy matters are complete (130 solar panels, electric charging points for 10 vehicles, 2 new electric Vauxhall Corsas for the HALO Car Club, an electric bus and 8 charging points for electric bikes, battery storage in place to smooth out the peaks and troughs in energy production). The target date for completion and opening of the building is now October 2021 as a consequence of lockdown restrictions, site closure and outstanding works. Agents are marketing the property and there are a number of positive enquiries from both new and existing companies wishing to grow. AGD funding has been fully utilised.
		Build complete (phase 1)	30-Apr-21	Complete				
		Building open to occupants (phase 1)	30-Apr-21	Amber				

Project Updates – Energy, Circular Economy & Environment – 30 Aug 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
Community Renewable Energy project (CoRE) Project Lead: Lorna Clark	Define - OBC	Operational Model confirmed	02-Jun-21	Amber	Green	Amber	Amber	<p>Initial public consultation was held on 18th March with Knockroon residents. Further community consultation was delayed slightly whilst further information was sought from University of Strathclyde regarding Mechanical & Engineering elements to allow RIBA Stage 3 to proceed. Community consultation will follow in the coming months. Discussions with landowner are ongoing to transfer land which has taken longer than expected due to landowner's legal team citing delays due to staff resource/Covid, however matters are now progressing. Budget shown as amber as at RIBA Stage 2 the project was shown as over budget however an affordability cap has been set and the Design Team are undertaking a value engineering exercise as part of RIBA Stage 3 to ensure the project comes within budget. To allow additional information to be provided by University of Strathclyde & East Ayrshire Council, the design team stood down for a couple of months and subsequently an addendum to the RIBA Stage2 report has been provided with RIBA Stage 3 commencing from 26th July. Design programme restarted. The period of stand down has meant that key milestones in the design programme have slipped, with completion of the Stage 3 report now scheduled for end of November and receipt of planning approval now targeted for early March or before if an earlier submission date is possible. The outline operational model was presented to East Ayrshire Cabinet on 16th June. An MOU is currently being drafted between Strathclyde University and East Ayrshire Council. The project is also exploring a tripartite agreement with SPEN, Strathclyde University and EAC. OBC submitted to government 16 July and feedback being considered. As the operational model has still to be finalised, government have been notified that once this information is available, a revised OBC will be issued.</p>
		Land purchased/secured	01-Aug-21	Amber				
		RIBA Stage 3 - developed design report	06-Aug-21	Amber				
		OBC approved by Government	22-Aug-21	Amber				
		Procurement commences	31-Aug-21	Amber				
		Planning Permission secured	08-Dec-21	Amber				
HUNTERSTON STRATEGIC DEVELOPMENT AREA Project Lead: Neale McIlvanney	Define - SBC	Establishment of project governance – SBC & RIBA Stage 0: Project Definition	31-Aug-20	Complete	Amber	Green	Amber	<p>A tripartite agreement with Scottish Enterprise, Peel Ports and North Ayrshire Council has been agreed and signed off by NAC Cabinet. Project has requested a meeting with UKG policy advisors to discuss project development route and ensure strategic alignment. The project has commissioned the first piece of work to look at the Innovation Centre as a first stage enabling project for the AGD Hunterston programme. Project lead has written to Minister for Energy, Connectivity and Islands seeking a ministerial Taskforce that will coordinate activity across the Hunterston area, including management of impacts of decommissioning of Hunterston B nuclear station. There is also ongoing discussion with Nuclear Decommissioning Authority to position impact of decommissioning within wider context of Hunterston development proposals. In advance of ministerial engagement in a task force a strategic working group is operational with many of the partners anticipated to be part of the taskforce. The project has recently re-profiled its financial projections. Expected OBC for first phase of delivery during financial year 2021/22, subject to ongoing partner working.</p>
		Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	31-Dec-21	Green				
		Submission of Hunterston/IMSE Programme Business Case (sector based)	31-Jan-22	Green				
		OBC approved by Government (Phase 1)	28-Feb-22	Green				
INTERNATIONAL MARINE SCIENCE AND ENVIRONMENTAL CENTRE (IMSE) Project Lead: Neale McIlvanney	Define - SBC	Establishment of project governance – SBC & RIBA Stage 0: Project Definition	31-Aug-20	Complete	Amber	Green	Amber	<p>Following decision to re-profile the AGD to ten years, the IMSE project timescales are being considered with a view to bringing the project forward. A link has been created with Stirling University, which is currently working on the strategic fit of IMSE within the national family of science centres and the initial report of findings has been presented to NAC. Stirling University will also be a key partner in the aquaculture sector for the project. A blue economy steering panel has been formed with NAC and Stirling University and this is expected to translate the initial findings for IMSE to a clear workplan with targets and identification of other key sector stakeholders. Target milestones were refined to reflect accelerated UK Government funding to 10-year programme; however, given the stage of development of the project and its innovation based complexity, it is anticipated that more sophisticated milestones and project definition will emerge.</p>
		Submission of Hunterston/IMSE Programme Business Case (sector based)	31-Jan-22	Green				
		Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	31-Dec-22	Green				
		OBC approved by Government (Phase 1)	28-Feb-23	Green				

Project Updates – Tourism – 30 August 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
MARINE TOURISM Project Lead: Colin Bradford	Define - OBC	Establishment of project governance – SBC & RIBA Stage 0: Project Definition	31-Aug-20	Complete	Amber	Amber	Amber	Updated costs have come back significantly more expensive than first anticipated, which will likely necessitate a revised scope for the Ardrossan Marina. Initial costs had been provided on a concept design, but the detailed costs have been able to identify works required to begin work on the marina, including dredging and the water depth to consider. Project lead is engaging the partners to ensure that there would still be buy-in for any potential change / decrease in scope, e.g. having 100 berths instead of originally forecast 250. Project lead will be working out any new proposal over the next couple of months and will continue to engage with PMO to update on progress and potential change request. As part of NAC's partnership with Crown Estate Scotland, a project lead for the destination marinas on Cumbrae and Arran is now in post. Early scoping and dependencies mapping, evidence gathering and stakeholder engagement is taking place to advance and accelerate the destination marina projects.
		Ardrossan Marina: Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	31-Dec-21	Green				
		Ardrossan Marina: Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	31-Dec-21	Green				
		OBC approved by Government (Ardrossan)	31-Mar-22	Green				
THE GREAT HARBOUR, IRVINE Project Lead: Kasia Smith	Define - OBC	Establishment of project governance – SBC & RIBA Stage 0: Project Definition	31-Mar-21	Complete	Green	Green	Amber	OBC approved by Scottish Government 25 June 2021. Project has passed project Gateway stage sign off and is in the process of progressing next steps including working to appoint design team for the first phase of works (technical surveys). A new regeneration manager has been recruited to help work on the project. Project is also looking at Harbour Master's office which NAC owns and is considering what to do with the site as there has been some interest from businesses and developers.
		Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	31-Mar-21	Complete				
		OBC approved by Government	30-May-21	Complete				
		Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design	31-Dec-21	Green				

Project Updates – Digital – 30 August 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
SUBSEA FIBRE OPTIC CABLE Project Lead: Michael O'Brien	Define – OBC	OBC approved by Government	01-Oct-21	Amber	Amber	Amber	Amber	<p>The Scottish Government's release of its data centre strategy in March highlights two potential locations for data centres in Ayrshire. The project is now working with partners to take this forward for Ayrshire and is engaging private sector and commercial providers. Project is working closely with Scottish Futures Trust to develop the offering for Ayrshire. Negotiations with SG and UKG, Department of Culture, Media and Sport over a new subsea cable into Scotland continue. The project team is also engaging with Government in case any commercial opportunity requires a change to delivery timescales. Project Lead is updating the OBC for subsea cable considering: updates to Scottish Government and UK Government strategies; work undertaken by SFT; and to incorporate responses to past feedback within the latest iteration of the business case. The development process has thrown up some significant challenges that need to be worked through and understood. The target date for submission of the OBC to the PMO has been pushed back from 31 July to 31 December 2021 causing the target date for OBC approval of 1 October 2021 to slip.</p>
KEY DIGITAL INFRASTRUCTURE Project Lead: Michael O'Brien	Define - OBC	OBC approved by Government	01-Oct-21	Amber	Amber	Amber	Amber	<p>Project considering the scope of the 4G and 5G elements of the project as this activity is now being done commercially by private sector. A re-defined scope and change request will be required should there be a change to the scope. Project Lead for Digital is currently re-evaluating the OBC for digital infrastructure in light of progress that has been made in the Scottish Government R100 programme, recent changes to working patterns/digital demand etc. Project lead is working with a stakeholder engagement/steering group to be led by UWS with representation from health, logistics, engineering, digital and education sectors to assist with the process of re-evaluation. The development process has thrown up some significant challenges that need to be worked through and understood. The target date for submission of the OBC to the PMO has been pushed back from 31 July to 31 December 2021 causing the target date for OBC approval of 1 October 2021 to slip.</p>

Project Updates – Regional Skills & Inclusion Programme – 30 Aug 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
AYRSHIRE SKILLS FUND Project Lead: Greig Robson	Define - OBC	Development of governance documents	30-May-21	Red	Amber	Red	Red	The way in which the fund is governed and distributes funding is currently being explored and clarity of this will be required in an updated OBC or draft FBC. Colleagues within NAC have sought external legal advice in terms of the project governance options. This information has now been received and shared with EAC and SAC for consideration. While moving forward with a preferred option is now imminent, there is a material risk that spend will not be incurred as planned in this financial year. All efforts will be made to mitigate this risk.
		OBC approved by Government	30-Jun-21	Red				
		FBC approved by Joint Committee	13-Sep-21	Red				
		Development of guidance for fund applicants	30-Sep-21	Red				
		1st call for proposals	30-Sep-21	Red				
WORKING FOR A HEALTHY ECONOMY Project Lead: Greig Robson	Implement	OBC approved by Government	19-Feb-21	Complete	Green	Amber	Amber	Contract awarded to NHS Salus in March by NAC as lead authority for project. Governance documents created and approved by the project's Board. The service has been made available to unemployed residents across Ayrshire since May and referrals are being made by East, North and South Ayrshire. Preparations for further project implementation will continue - the launch of services to the business community will commence in the autumn when it is hoped that business will be receptive to the service offer. Brief has been drafted for a longitudinal evaluation of the service and will be issued for tender by NAC in Q2.
		FBC approved by Joint Committee	22-Feb-21	Complete				
		Contract awarded	12-Mar-21	Complete				
		Project preparations for implementation complete	30-Jun-21	Amber				

Project Updates – Community Wealth Building – 30 Aug 2021

Project	Stage	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Scope Status (S)	Project Budget Status (B)	Overall Status	Project Update
COMMUNITY WEALTH BUILDING Project Lead: Julie McLachlan	Implement	OBC approved by Government	31-Mar-21	Complete	Green	Amber	Red	<p>Due to delays in receiving Government approval, recruitment has been later to commence which has therefore had a subsequent impact on project launch as resource has not been in place to commence delivery across all teams. NAC Locality Officers are in place and staffing and fund spend has commenced in this area, with the first project claim submitted to Government. EAC have appointed 2 preferred candidates, with discussions underway on how to fill the third Locality Officer post. SAC have appointed 2 preferred candidates and hopeful to have all 3 Locality Officers in place by end of September. A preferred candidate has been identified for the Fair Work Ayrshire Programme Manager with a September start date. Interviews have taken place for the CWB Programme Manager post however no appointment has been made, project partners agreed to re-advertising the post. An update on the project and key next steps was provided to the CWB Commission in June 2021. The delay in staff recruitment will mean the project completion date will extend and a change request will be submitted following confirmation of new staff start dates and the development of a revised financial plan. With regards to underspend, a revised financial profile and plan will be developed following start dates for posts currently being recruited being confirmed. Recruitment to posts in EAC and SAC will drive Fund spend, and NAC have a range of Fund projects approved and awaiting project completion and draw down by deliverers.</p>
		FBC approved by Joint Committee	31-Mar-21	Complete				
		Recruitment of staff: Programme Manager, CWB Officers, FW Ayrshire Manager	30-Apr-21	Red				
		Finalise documentation for £1 million Fund governance	30-Apr-21	Complete				
		Staff inductions	31-May-21	Amber				
		Formal launch of programme	30-Jun-21	Amber				

Project Updates – Strategic Transport Projects Review (STPR2) – 30 Aug 2021

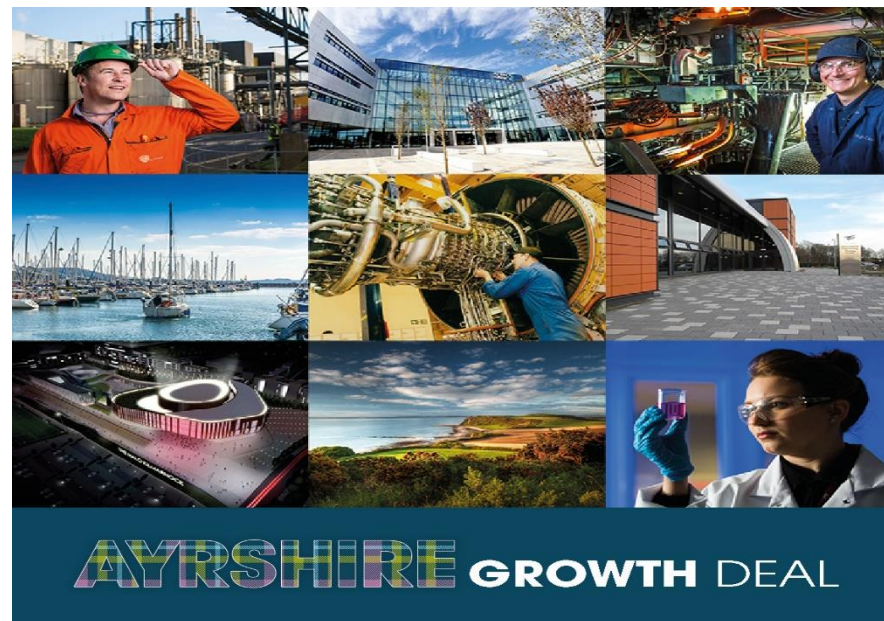
Project	Milestone	Due Date	Project Milestone Timeline Status (T)	Project Update
STRATEGIC TRANSPORT PROJECTS REVIEW (STPR2) Project Lead: Kevin Braidwood	Ayrshire response to STPR2 Phase 1 Recommendations and Case for Change Ayrshire & Arran Region reports	31-Mar-21	Complete	North Ayrshire Council and Ayrshire Roads Alliance, on behalf of East and South Ayrshire Councils, submitted a response to the Phase 1 recommendations report consultation. The response included concern around: the rationale for local roads being scoped out unless providing direct access to a 'major port' or NPF4 site as this removes any necessary infrastructure investment from AGD sites; the lack of alignment between Phase 1 and Phase 2 and AGD projects moving into delivery 2021/22; and Bellfield Interchange linking the three main arterial routes the A77, A76 and A71 and is a key element of the transport infrastructure for vehicle movement between North, South and East Ayrshire including the A74(M), ports and airports and is reaching its maximum capacity. Transport Scotland have advised that while the upgrade to the Bellfield Interchange is included in Phase 2, they expect the cost of the Transport Appraisal to be funded by East Ayrshire Council.
	Phase 2 - Appraisal completed by Transport Scotland	Spring to Summer 2021	Amber	During this stage the sifted options will be combined into packages and appraised against the Transport Planning Objectives and against wider STAG criteria and deliverability. Further assessment will be undertaken to produce final short list of proposed interventions in Phase 2. Where STPR2 consultants/Transport Scotland do not have sufficient evidence or where there is a requirement to ensure alignment with regional policy or work that is on-going, STPR2 consultants and Transport Scotland will be happy to take any comments/feedback on the detailed appraisal process. Transport Scotland have been working closely with North Ayrshire Council and ARA and they have visibility of the work that we are doing. This will ensure that we are not duplicating effort but not closing the door on options either. There are a number of LRDF bids which fall into the same category.
	Phase 2 - Recommendations Report submitted to Scottish Government by Transport Scotland	Autumn 2021	Green	Two phased approach has been agreed to the development of STPR2 in light of the pandemic restriction with Phase 1 being short term priorities in response to pandemic, whereas Phase 2 will inform investment priorities from 2022 to 2042. Phase 2 will report in Autumn 2021 on investment over the longer term.
	Final report published by Transport Scotland providing stakeholders with opportunity to comment.	Winter 2021	Green	

APPENDIX 2

Draft Implementation Plan

AYRSHIRE GROWTH DEAL

IMPLEMENTATION PLAN v19 (23 August 2021)



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AYRSHIRE
GROWTH DEAL

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1. INTRODUCTION

This document sets out the detail of how each project within the Ayrshire Growth Deal is expected to be implemented. This information should be read in conjunction with the Ayrshire Growth Deal Financial Agreement, Financial Plan, Governance Plan and Deal Document and will be subject to annual review and updating.

Contained within this implementation plan are the details of the key milestones, outputs and outcomes and risks associated with the development and delivery of each Growth Deal project. Also included are details of the key themes of each project and the inclusive growth barriers it seeks to target. Details of the interdependencies between projects and their links to inclusive growth are set out in the appendices to this document.

Further details relating to each project are contained within project business cases which are subject to detailed discussion with governments.

2. AYRSHIRE GROWTH DEAL PROGRAMME

Ayrshire's Councils all recognise the importance of a regional approach to growing the economy and have been working together and with partners and stakeholders to develop this Ayrshire Growth Deal, anchored in a commitment to creating a growing, innovative, more productive and inclusive economy, developing Ayrshire's core strengths and ensuring that communities benefit from economic growth.

Collectively, the partnership has identified the regional priorities which will create the best environment for people and business. This has been a robust process reflecting good practice methodologies, including analysis to understand the best interventions and projects which will facilitate a step-change for the Ayrshire and Scottish economies, while creating greater opportunity for all communities.

The 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.**'

Targeted investment, coordinated throughout Ayrshire, 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.

While proposals reflect the strengths and opportunities which exist in Ayrshire, economic baseline analysis shows that the regional economy has been underperforming and recent job losses point to a loss of confidence and investment being diverted to other areas.

The strategic objectives underpinning the Growth Deal projects are to:

- Attract and develop more innovative and internationally focused companies that are more likely to have higher levels of productivity through developing key infrastructure and targeted business support programmes;
- Position Ayrshire as the 'go-to' region for smart manufacturing and digital skills;
- Improve key elements of strategic transport and digital infrastructure to help businesses get goods to market and people to work (physically and virtually);
- Work with communities to raise aspiration and ambition, provide employment and skills support, and improve access to jobs through innovative community empowerment and employability programmes.

The partnership firmly believes that Ayrshire will be recognised for leading the successful implementation of key technologies in manufacturing sectors that are important to Scotland, for its world class digital and physical infrastructure and the quality of life it can provide.

This Deal will help drive inclusive economic growth across the region. The economy of Ayrshire has under-performed over a substantial period of time, leading to Ayrshire having one of the highest unemployment rates in Scotland and the UK, particularly among younger people. This will be exacerbated by the impact of the Covid-19 pandemic. This Deal will enable the creation of new high quality jobs and opportunities across Ayrshire, which will help secure the future prosperity of its many communities.

Building on the Heads of Terms signed off in March 2019 and the Full Deal signed off in November 2020, the Implementation Plan sets out how the individual projects within the Deal will be delivered and how they will contribute to a step change on our regional economy.

Project proposals and associated Business Cases have been prepared, reviewed, assessed and refined following feedback received from policy leads within each government and these now form the overall programme business case.

A RAG status has been set against each programme milestone using the following criteria:

RAG Status	Programme Milestone Timeline Status
Red	Delay to delivery timeline of key milestone having an negative impact on programme
Amber	Milestone slipping against planned date but not expected to impact delivery of the programme
Green	On track to deliver milestone on time or early
Complete	Milestone delivered
Future	

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Signed Tripartite Financial Agreement		30 September 2020
Approval of Deal Documents	Complete	30 September 2020
Full Deal Sign-off	Complete	30 September 2020
Develop, design and launch AGD website	Complete	28 February 2021
Performance management system/s established	Complete	31 March 2021
Develop and agree Communications Action Plan 2020/21	Complete	12 May 2021
Develop and agree Change Management process	Complete	30 June 2021
Develop and issue Financial Guidance to Project Leads	Complete	30 June 2021
Secure and spend additional £135k revenue from SG Recovery Fund	Complete	31 March 2021
Develop and implement Community Benefits Tracker	Complete	30 June 2021
Articulate key project interdependencies		30 June 2021
Update economic modelling for all land use projects at OBC stage		30 June 2021
Grant Offer Letter for 2021/22 received and agreed		30 June 2021
Update and approval of Deal Documents		30 June 2021
Review Communications Action Plan 2021/22	Complete	6 July 2021
SG Recovery Fund 2021 Evaluation Report completed and returned		30 August 2021
Develop and issue Performance Guidance to Project Leads		30 September 2021
Consistent approach to measuring carbon impact of projects		31 December 2021
Identification of the key elements of developing the AGD skills pathway work		31 March 2022
Inclusive Growth outcomes embedded in business case for projects being implemented 2021/22		31 March 2022
Clean Growth outcomes embedded in business case for projects being implemented 2021/22		31 March 2022
Develop and agree Monitoring & Evaluation Framework		to be agreed
Develop and agree first iteration of Benefits Realisation Plan		to be agreed
Draft Annual Performance Report		to be agreed
Annual Performance Report		to be agreed
Annual Conversation		to be agreed

OUTCOMES AND TARGETS

OUTCOME	TARGET	DATE
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Jobs supported (construction, direct, indirect)	Up to 7,000 new jobs	31 March 2030
Facilitate private sector investment	£300m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Failure to achieve AGD programme objectives	<ul style="list-style-type: none"> PMO developing monitoring and evaluation processes to ensure overall objectives are captured and any project failing to achieve and contribute to these is flagged and issues addressed as quickly as possible PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal AGD Steering Group in place to monitor progress and to address any weaknesses or issues that could impact on overall delivery
Failure to provide accurate projections for programme spend	<ul style="list-style-type: none"> Project spend profiles have been reviewed to take account of compressed UKG funding over 10 years. The Implementation Plan and Financial Plan have been updated to take account of the compressed funding. Project Leads have confirmed accuracy and Finance Directors have approved. Accuracy of financial profiling is likely to be greater for early delivery projects. PMO will regularly review, challenge and agree financial profiling/phasing with Project Leads, SROs and Finance Directors and ensure drawdown projections align with delivery timescales OBCs/FBCs include an optimism bias factor Inflationary factor included in cost estimations Issues will be escalated to CEOs, Regional Economic Partnership and Regional Economic Joint Committee as appropriate
Failure to drawdown full AGD funding	<ul style="list-style-type: none"> The financial profiling has been reviewed and updated to take account of UKG compressed funding to 10 years and project developments PMO will regularly review, challenge and agree financial profiling/phasing with Project Leads, SROs and Finance Directors and ensure drawdown projections align with delivery timescales Achieve business case approval in line with Deal Implementation Plan Annual review of Financial Plan and Implementation Plan The Scottish Government's financial reporting requirements will be implemented Pivot projects proactively where possible in line with need and opportunity Internal procedures, financial controls and audit processes being put in place to mitigate this risk
Delays in development and	<ul style="list-style-type: none"> All projects now have either an SBC or an OBC in place and these are subject to focused

approval of business cases	<p>discussions with SG and UKG.</p> <ul style="list-style-type: none"> • PMO working closely with Project Leads and Policy Leads within both governments to support business case development and approval to an agreed timeline • Project Leads have received Green Book business case training • Project Leads' toolkit in place • Pivot projects proactively where possible in line with need and opportunity • Other partners assisting in developing business cases where capacity is low
Failure to capture accurate baseline data	<ul style="list-style-type: none"> • Project Leads required to establish appropriate baseline in business cases • Post Covid-19 data will provide a more accurate baseline. Over the coming weeks and months, the volume of economic and labour market data that captures 2020/21 (and beyond) is likely to increase. This will enable us to have more robust evidence on the economic and labour market impact of Covid-19
Failure to deliver community benefits from AGD	<ul style="list-style-type: none"> • PMO and procurement managers from the three Ayrshire Councils working on a single mechanism to monitor delivery of community benefits so that remedial action can be taken if required • An AGD Community Benefits Tracker system has been developed and implemented across the region • PMO working with Project Leads to develop consistent approach to embedding inclusive growth, equalities, clean growth, and community wealth building within business cases • Procurement working group has been established to support delivery of community benefits
Failure to ensure AGD projects align with a net zero transition	<ul style="list-style-type: none"> • PMO and Project Leads working with Scottish Government to ensure the Deal is aligned with Scotland's transition to net zero carbon emissions by 2045 • Scottish Government has developed carbon management guidance for the AGD, as well as other City Region and Growth Deals in Scotland, which will allow the carbon emissions impact of the programme and projects to be assessed then minimised • A carbon management process appropriate for each project will be put in place to ensure any carbon emissions impact is minimised • PMO working with both governments to identify funding opportunities to support decarbonisation • PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal • Partners will work together with both Governments to develop an approved Benefits Realisation Plan

Failure to deliver individual projects within the AGD programme	<ul style="list-style-type: none"> • Regular dialogue/reporting around progress takes place between PMO and Project Leads where issues are raised in advance and if appropriate escalated to government, Regional Economic Partnership and Regional Economic Joint Committee • AGD Steering Group and Project Boards in place to monitor project development • Regular review of outputs and timelines for delivery of benefits in light of Covid-19 and Brexit uncertainty • PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal • Change management process developed with both governments • Partners will work together with both Governments to develop an approved Benefits Realisation Plan
Inadequate recognition of interdependencies and/or knock-on impacts between parts of the programme leading to issues with delivery and/or lost opportunities	<ul style="list-style-type: none"> • Programme meetings/workshop facilitated by the PMO and attended by Project Leads and partners took place early November 2020 to ensure interdependencies are recognised and considered • The PMO continue to work with Project Leads to develop and articulate the interdependencies within the project business cases
Lack of resource within partner organisations to deliver projects in line with AGD programme	<ul style="list-style-type: none"> • Formal approvals of Councils' resources are now in place for AGD projects • Each Council has appointed staff and/or consultants to support project development and delivery • Each project currently has a Project Lead in place • Partners including SE are providing additional resource to the majority of projects • The programme of delivery is very ambitious and further resource commitment may be considered • Other funding streams will be explored to support ongoing revenue costs • Anticipated revenue streams will be subject to constant review through the monitoring procedures in place for AGD
Lack of resources in PMO	<ul style="list-style-type: none"> • A permanent PMO structure is in place • The PMO is being supported by colleagues in each of the Councils in a number of work streams • The capacity and skill sets will regularly be re-assessed in line with changing requirements
Inadequate governance arrangements to support AGD delivery	<ul style="list-style-type: none"> • Ayrshire Economic Joint Committee and Ayrshire Regional Economic Partnership has been formed and regular meetings are in place • Scottish Government's financial reporting requirements have been implemented • Partner agreement between EAC, as Accountable Body for the Deal, and North and South Ayrshire Councils has been drawn up and terms agreed

	<ul style="list-style-type: none"> • PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal • Partners will work together with both governments to develop an approved Benefits Realisation Plan • Change management process developed with both governments • AGD is standing item on CEOs' meeting agenda
Monitoring and Evaluation Framework is not sufficiently defined	<ul style="list-style-type: none"> • Framework will be co-produced with both governments • PMO working with colleagues nationally to develop and agree a consistent approach with both governments • Key principles and standard template have been prepared and shared with both governments • Frameworks developed by other Deals will be considered and utilized where relevant • Framework will be considered/agreed by Regional Economic Joint Committee
Failure to attract commercial interest in AGD	<ul style="list-style-type: none"> • Market campaigns will target potential investors • Wider Ayrshire Economic Strategy will be put in place to ensure wider growth ambitions for Ayrshire are agreed and articulated to stakeholders and investors
Programme not communicated effectively to stakeholders outwith Governance structure	<ul style="list-style-type: none"> • Communications Action Plan continues to be developed and updated, including a pipeline of project specific communications plans • AGD website launched at the end of February 2021 and the use of social media has increased • Regular briefings with a range of stakeholders • Communications Protocol revised and in place • Communications, marketing and engagement plan for the REP being developed • Resource within AGD to market and promote project activities and overall programme • Communications Plan will be put in place for each project
Supply phasing within overall programme	<ul style="list-style-type: none"> • Early engagement with the construction sector will be required to: ensure a greater understanding of the AGD programme for project implementation and the nature of projects; industry is able to respond to Invitations to Tender; and that the capacity exists to deliver AGD activities • Market engagement through the Meet the Buyer events • Governance arrangements in place will support the sharing of market intelligence and the phasing of development activity
Potential impact of Brexit on economic prosperity of region	<ul style="list-style-type: none"> • Regular engagement with Project Leads to highlight any risks well in advance, so that the PMO can raise with government, Regional Economic Partnership and Regional Economic Joint Committee as appropriate • Regular review of outputs and timelines for business cases at every stage of development in the light of Brexit uncertainty

	<ul style="list-style-type: none"> • Continued monitoring of external environment and government relations • Regional Economic Strategy will be developed and implemented • Regional Economic Partnership will provide voice for Ayrshire to press the case for government intervention investment • Incentives and other forms of assistance to complement the AGD and stimulate greater economic activity • Change management process developed with both governments • Regional Skills Investment Plan developed, implemented and directed at both employer and resident needs • Robust data analysis shared amongst key partners and stakeholders to reach common understanding of local economic conditions, leading to early identification of real threats and opportunities - achieving consensus with partners and stakeholders on strategic objectives for inclusive and sustainable economic growth, with effective action planning and monitoring • PMO co-ordinated evidence across Deals and submitted collective case to both governments asking that consideration be given to flexibility of capital spend either to meet increased costs or to reduce the scope/outputs and time delivery if costs to be met now
Covid-19 impacting on the AGD projects resulting in potential delays and cost increases	<ul style="list-style-type: none"> • Regular dialogue takes place between PMO and Project Leads where issues are raised in advance and if appropriate escalated to government, Regional Economic Partnership and Regional Economic Joint Committee • Projects have been mandated to include Covid-19 assessments within all Business Cases • Regular review of outputs and timelines for delivery of benefits in light of Covid-19 • PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal • Change management process developed with both governments • PMO co-ordinated evidence across Deals and submitted collective case to both governments asking that consideration be given to flexibility of capital spend either to meet increased costs or to reduce the scope/outputs and time delivery if costs to be met now

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AYRSHIRE GROWTH DEAL PROJECTS

A RAG status has been set against each project milestone using the following criteria:

RAG Status	Projects Milestone Timeline Status
Red	Delay to delivery timeline of key milestone having an negative impact on project completion date
Amber	Key milestone missed or projected to miss against planned date but not expected to negatively impact the original project completion date
Green	On track to deliver milestone on time or early
Complete	Milestone delivered
Future	

3. **PROJECT: SPACEPORT INFRASTRUCTURE**

PROJECT SUMMARY: Establishing technically feasible and financially viable space launch services from Glasgow Prestwick Airport (GPA). The investment will be a catalyst to establishing GPA as the leading horizontal launch Spaceport in Europe, providing by 2035 a range of services including micro gravity flights, air launch of satellites up to a mass of 800kg, human space flight and hypersonic flights services. This builds on Prestwick's unique combination of attributes: latitude; over sea take off; metrological conditions; and the strong cluster of innovative aerospace companies located adjacent to GPA.

The investment will be in infrastructure to ensure that GPA is able to operate as a spaceport, including fuel storage, mixing areas, and blast protection. In addition, there will be investment to provide infrastructure for launch service providers (LSP) including a satellite integration facility, payload processing facility, mission control and range management systems.

PROJECT THEMES: high value manufacturing; aerospace and space; innovation; internationalisation; inclusive growth; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced jobs
- Local jobs
- Soft and basic skills
- Business support (non-financial)
- Sustainable working population
- Structure of the economy
- Inward investment
- Advanced digital skills/innovation
- Business premises

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Consenting and licensing plan sign off		31 March 2021
RIBA Stage 1 Feasibility study completed		30 May 2021
Environmental Screening Opinion		30 August 2021
OBC Approved by Government		30 October 2021
RIBA Stage 3		30 November 2021
FBC Approved by Joint Committee		31 March 2022

Launch Service Provider secured		31 March 2022
Safety Case		31 March 2023
Air Space Change Agreed		31 March 2023
Range management		31 March 2023
Met all licence requirements for first launch		31 August 2024
Spaceport Infrastructure complete		31 August 2024
First Commercial Launch		30 September 2024
Full project completed/final drawdown		31 March 2026

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Operational spaceport	1	31 March 2023
Launch service providers at Prestwick	2	31 March 2027
New jobs created (direct and indirect)	100	31 March 2024
Construction jobs	75	31 March 2024
Private sector investment	£3m	31 March 2024

RISKS AND MITIGATIONS

RISK	MITIGATION
The new owners of GPA do not support the spaceport opportunity	<ul style="list-style-type: none"> Meeting with senior management team to discuss spaceport opportunity within the context of potential new owners aspirations
Design fails to meet requirements for Spaceport operations	<ul style="list-style-type: none"> Liaise with CAA and Health and Safety Executive via UKSA workshops and 1-2-1 discussions on anticipated requirements GPA senior team are in the Spaceport development team
Contractors identified for invitation to tender do not meet the brief	<ul style="list-style-type: none"> Designs are informed by technical studies and surveys to ensure that the tender is detailed and appropriate for the project. Continued consultation with CAA and Health and Safety Executive
Contractors selected not meeting construction timelines	<ul style="list-style-type: none"> Ensure robust contract management process in place
Cost overruns due to time delays, materials costs, poor specification or unforeseen	<ul style="list-style-type: none"> Project costs will be managed by a quantity surveyor or equivalent and all contract amendments/engineers instructions that impact on

circumstances	<p>cost to be approved by SAC.</p> <ul style="list-style-type: none"> • Ensure sufficient optimism bias in costing of the project
Lack of use of UK assets for range control	<ul style="list-style-type: none"> • Strong working relationship between the Project team and expert panel to maintain a focus on this work • Engagement with Ministry of Defence and NATs is in place
Regulation and policy delays	<ul style="list-style-type: none"> • Continue to work closely with CAA to reduce deviation from CAA requirements while regulations are finalised
Safety delays and overruns including ITAR regulation (US export license)	<ul style="list-style-type: none"> • Close working with CAA, UK Government, Ministry of Defence and all other partners involved in developing regulations and licensing
Industry predictions for investment in satellite launches prove to be over-optimistic	<ul style="list-style-type: none"> • Project team continue to monitor satellite launch market; maintain dialogue with current and potential service providers • Team investigating wider market opportunities such as microgravity experimentation, human spaceflight and hypersonic flights • Strong working relationship between the project team and Scottish Enterprise and SDI to maintain a focus on this work
Covid 19 - Weaknesses emerge in supply chain companies after contract awards/construction delays due to social distancing	<ul style="list-style-type: none"> • Appropriate financial checks in place and will be carried out as part of procurement processes and contracts will make provision to mitigate this issue • Procurement will work with contractors to address issues of social distancing and how to resolve this in a manner that keeps timeline on track as far as possible

PROJECT LEAD: MICHAEL O'BRIEN, SOUTH AYRSHIRE COUNCIL – MICHAEL.O'BRIEN@SOUTH-AYRSHIRE.GOV.UK

4. PROJECT: PRESTWICK COMMERCIAL BUILD

PROJECT SUMMARY: Creation of additional high quality, secure landside and airside commercial office space. This will meet projected future growth in the aerospace; maintenance, repair and overhaul (MRO); aircraft decommissioning and new space markets.

Accommodation will be built to 'Factory of the Future' and low carbon standards. It will be designed to accommodate new production techniques to support diversification and evolution of aerospace and space in Prestwick, and provide commercial floor space to meet the growth demand from mobile global investors.

The project will create substantial and additional high quality industrial/commercial accommodation. The project will also see the creation of airside hangar space to meet projected future growth in the area.

The development of the Commercial Build project will address market failure in the provision of commercial premises at Prestwick, and will help to capture the economic growth opportunity from the Space and Aerospace sector.

PROJECT THEMES: high value manufacturing; aerospace and space; innovation, internationalisation; inclusive growth; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Local Jobs
- Sustainable working population
- Structure of the economy
- Advance digital skills
- Business premises
- Transport (people to jobs)
- Transport (goods to market)
- Inward investment
- Intermediate and advanced skills
- Soft and basic skills

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Agreement on development strategy		31 May 2021
Financial model agreed and approved		31 May 2021
OBC Approved by Government		30 August 2021
FBC Approved by Joint Committee		30 January 2022
Land assembly		31 March 2022
Procurement of contractors for phase 1		31 March 2022
Planning permission – Outline for masterplan area. Permission for each individual building to follow as and when required		31 March 2022
First commercial unit completed		31 March 2023
First hangar facility completed		31 March 2023
Full project completed		31 March 2030
Final financial drawdown		31 March 2030

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business space created (net internal area)	75,671 sq m	31 March 2030
New jobs created (direct and indirect)	1,177	31 March 2030
Construction jobs created	1,005	31 March 2030
GVA (direct and indirect – 25 year NPV)	£667.14m	31 March 2045
Private sector investment	£71.5m	31 March 2030

RISKS AND MITIGATIONS

RISK	MITIGATION
Planning Approval <ul style="list-style-type: none"> Delays in planning process due to capacity constraints Objections to proposed route 	<ul style="list-style-type: none"> Programme recognised by Planning Department as a major project and given priority Prestwick Campus Masterplan incorporated in development of LDP2 via main issues report and subsequent consultation with residents and other parties On-going community consultation

Delays in provision of utilities	<ul style="list-style-type: none"> • Site energy strategy to be put in place and early engagement in place across utilities companies
Delays to design and build procurement processes <ul style="list-style-type: none"> • Challenges to the process • Availability of contractors 	<ul style="list-style-type: none"> • External expert advisers have been procured to support the project team and will adhere to the procurement policies of South Ayrshire Council • Timescales have been set to ensure that there is a sufficient pool of suppliers to undertake the activities and are interested in providing a competitive tender
Failure to Secure Private Sector Investment	<ul style="list-style-type: none"> • External support has been secured to consider options for attracting the private sector investments • Council to consider extending its own investment in this programme of build
Delays in site acquisition/agreement with Scottish Enterprise	<ul style="list-style-type: none"> • Project team preparing proposal for Scottish Enterprise and project team will monitor progress with negotiation and take remedial action should timelines slip
Economic downturn	<ul style="list-style-type: none"> • Early engagement with market indicates that this investment is an important part of recovery and engagement with market will be maintained
Impact on timelines from Covid-19 lockdown and social distancing	<ul style="list-style-type: none"> • Project team will work with contractors to find innovative solutions designed to minimise delays

PROJECT LEAD: THEO LEIJSER, SOUTH AYRSHIRE COUNCIL – THEO.LEIJSER@SOUTH-AYRSHIRE.GOV.UK

5. **PROJECT: PRESTWICK ROADS**

PROJECT SUMMARY: 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. There are three elements to this project as follows:

- Work package 1 - Prestwick East Aerospace Park Link Road – a new and upgraded road infrastructure to link the B739 Station Road from a redesigned roundabout junction on the A79 to the Prestwick East Aerospace Park. This includes Spirit Campus and the airport development land to the north of the main runway, by-passing Monkton village.
- Work package 2 - A new route corridor to extend the link road infrastructure from Prestwick East Aerospace Park to the northern edge of the airport site and connect the Gannet site.
- Work package 3 - A new road infrastructure to service Spaceport and further aerospace development land from Sandyford Toll roundabout and link to Prestwick East Aerospace Park.

PROJECT THEMES: Enabling infrastructure; connectivity.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Transport (people to jobs)
- Transport (good to market)
- Inward investment
- Business premises
- Structure of economy
- Local jobs
- Soft and basic skills
- Advanced digital skills

MILESTONES

DELIVERABLE	STATUS	DUE DATE
OBC approved by Government		30 August 2021
Planning and regulatory consent achieved - Phase 1		31 January 2022
FBC approved by Joint Committee		28 February 2022
Land assembly and site preparation – Phase 1		31 March 2022
Complete Work Phase 1		31 March 2023

Procurement of contractors – Phase 2		31 March 2023
Commence Works – Phase 2		31 March 2023
Community consultation complete		31 March 2024
Complete Phase 2		31 March 2026
Final financial drawdown		31 March 2026

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
New roadway created	3.5km	31 March 2026
Roadway upgraded	1km	31 March 2026
New roundabouts	4	31 March 2026
Upgraded roundabouts	3	31 March 2026
Footway/cycleway created/upgraded	4.5km	31 March 2026
Reduction of commuter vehicles routing through Monkton Village	75%	31 March 2026

RISKS AND MITIGATIONS

RISK	MITIGATION
Route Design <ul style="list-style-type: none"> • Fails to meet demands from current occupiers in relation to future productivity • Fails to support the development of available land • Doesn't support the volumes of future traffic • Community resistance 	<ul style="list-style-type: none"> • Used external consultancy service for a technical study to design and detail the road scheme • Route has been designed within the context of a Prestwick Campus masterplan which considers location of plots and utility services • On-going discussions with the current operators at Prestwick in respect of future plans • On-going community consultation
Planning Approval <ul style="list-style-type: none"> • Delays in planning process due to capacity constraints • Objections to proposed route 	<ul style="list-style-type: none"> • Programme recognised by Planning Department as a major project and given priority • Prestwick Campus Masterplan incorporated in development of LDP2 via main issues report and

	<p>subsequent consultation with residents and other parties</p> <ul style="list-style-type: none"> • On-going community consultation
<p>Delays to procurement processes</p> <ul style="list-style-type: none"> • Challenges to the process • Availability of contractors 	<ul style="list-style-type: none"> • Ayrshire Roads Alliance will provide expert support to the project team and will adhere to the procurement policies of East Ayrshire Council • Timescales have been set to ensure that there is a sufficient pool of suppliers to undertake the activities and are interested in providing a competitive tender
Land Assembly Delays – Phase 1	<ul style="list-style-type: none"> • Alternative options for the route have been developed
Cost overruns	<ul style="list-style-type: none"> • Project delivery will be led by a qualified project manager following established process for road construction • Costs will be monitored against progress and reported to the programme board • Any additional costs will be absorbed where possible by project redesign and/or re-prioritisation
Covid-19 – slippage in construction timelines	<ul style="list-style-type: none"> • Project team will work contractors to find solutions designed to minimise impact of social distancing and maintain pace of project

PROJECT LEAD: ALISON BLAIR, SOUTH AYRSHIRE COUNCIL – ALISON.BLAIR@SOUTH-AYRSHIRE.GOV.UK

6. PROJECT: PRESTWICK – AEROSPACE & SPACE INNOVATION CENTRE incorporating VISITOR CENTRE

PROJECT SUMMARY: The design, development, build and fit-out of an in-situ “innovation” centre to enable the delivery and manufacture of new flight products in Scotland. These will provide a focus on the supply chain for the aerospace sector; vertical and horizontal launch platforms; satellite and other payloads; and both academic and industrial research and development. Focused on industrialisation and implementation of industry 4.0 across whole supply chain groupings relating to new innovations, the project will focus on productivity innovation and industrialisation of new technologies at Technology Readiness level (TRL) 5 and above. The initial focus will be on the introduction of Industry 4.0 techniques and processes and related skills development requirements to the Maintenance, Repair and Overhaul (MRO) sector. This includes the establishment of an aircraft decommissioning facility which provides the project with “live” aircraft. This supports the development of the skills required for MRO at Prestwick to remain competitive, as well as providing opportunities for staff retention at a time when there is pressure to reduce costs and employee numbers across the cluster. The second phase will support the development of launch and in space capability and other related opportunities such as unmanned air vehicles.

The centre aims to support UK Aerospace and Space suppliers in exploiting opportunities arising for technology changes which disrupt established supply chains. The project will provide a means to engage higher proportions of SME’s in the innovation process, driven by centres such as the Spirit Aerospace Innovation Centre, National Manufacturing Institute of Scotland (NMIS) and the wider catapult network.

PROJECT THEMES: STEM; high value manufacturing; aerospace and space; innovation; internationalisation; inclusive growth; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and Advanced Skills
- Local jobs
- Business Support (non-financial)
- Sustainable working population
- Structure of the economy
- Advanced digital skills/innovation
- Inward investment
- Business premises
- Basic digital skills
- Soft and basic skills

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Pilot Aerospace and Space Supply Chain Programme start	Complete	31 March 2021
Pilot Aerospace Digital Visualisation Suite Programme start	Complete	31 March 2021
OBC approved by Government		30 October 2021
Complete final project design and procurement documentation		31 March 2022
Secure planning and building warrant approvals		31 March 2022
FBC approved by Joint Committee		30 June 2022
Appoint contractor to deliver facility build and general outfitting		30 June 2022
Identify specialist equipment suppliers and procure		30 June 2022
Complete and commission facility		31 March 2023
Start first technology project		31 March 2023
Hold first event		31 March 2023
Hand-over (Phase 1) to operational organisation		31 March 2025
Completion of Phase 2 (National Flight Centre)		30 October 2029
Final financial drawdown		31 March 2030

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business space created (NIA)	4,390 sq m	31 March 2030
New jobs created (direct and indirect)	68	31 March 2030
Construction jobs created	110	31 March 2030
GVA (direct and indirect – 25 year NPV)	£27.28m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Proposal not supported by local businesses	<ul style="list-style-type: none"> Industrial engagement to be carried out to identify what specifics ASIC will deliver Start-up industrial partners confirmed before project full approval
NMIS proposal seen as conflicting with ASIC	<ul style="list-style-type: none"> Discussion with AFRC/Strathclyde University and Scottish Government to position ASIC as being compatible with the overall NMIS objectives

	<ul style="list-style-type: none"> Local support to NMIS projects – providing a benefit to NMIS from: alternative funding route; and aerospace expertise and experience
ASIC not effective quickly to support urgent industrial needs	<ul style="list-style-type: none"> Core capabilities already available Skills development and training already established Phased approach to support priority actions first Utilise experience and resource from project partners
Sustainable funding model not achieved	<ul style="list-style-type: none"> Market survey required to determine medium term support Initial projects success will demonstrate viability of ASIC proposal Development of a large membership/engagement set Limit the scale of ASIC to match projected workload Model allows for facilities re-use as technology and business needs mature
Failure to attract external investors into this facility	<ul style="list-style-type: none"> Project team focused on ensuring business model and design can react to changing industry and technology demands Stakeholder management Marketing and promotional campaigns to be put in place
Economic and social benefits not delivered	<ul style="list-style-type: none"> PMO will work with both governments to agree a Monitoring and Evaluation Framework for the Deal Partners will work together with both Governments to develop an approved Benefits Realisation Plan
Commercial viability and impact of economic downturn	<ul style="list-style-type: none"> Project team focused on maintaining first mover advantage through close engagement with all stakeholders; focus on TRLS with university and catapult networks, ensure business model and design can react to changing industry and technology demands
Covid-19 – construction timeline slippage	<ul style="list-style-type: none"> Project team focused on working with contractor and HSE to minimise impact of social distancing and monitoring processes in place to identify issues as they arise and to address them

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7. PROJECT: THE HALO, KILMARNOCK

PROJECT SUMMARY: The development of a fully integrated Enterprise and Innovation Hub which will establish an entrepreneurial ecosystem to stimulate innovative business practices between new and established businesses. In turn this will create new jobs, as well as delivering 'workforces of the future' retraining in digital skills with key partners. This ecosystem is intended to encourage the development of new digital and cyber security products and services, responding in particular to the needs of the energy, health and space/aerospace sectors.

With a vision for a dynamic commercial, educational, cultural, leisure and lifestyle quarter where people can 'Live, Work, Learn and Play', the HALO will provide a sustainable community approach to a mixed-use development powered by electricity with a net zero carbon footprint.

PROJECT THEMES: Enterprise; Manufacturing; Innovation; Internationalisation; Inclusive Growth; Employability and Skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced jobs
- Local jobs
- Health
- Business support (non-financial)
- Childcare
- Sustainable working population
- Structure of the economy
- Advanced digital skills/innovation
- Business premises
- Transport (people to jobs)
- Housing
- Inward Investment
- Digital connectivity

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Contractor start on site	Complete	October 2019
Build complete (phase 1)	Complete	30 April 2021
Building open to occupants (phase 1)		30 April 2021
Payment of retentions and final drawdown	Complete	31 March 2021

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
New jobs created (direct and indirect) – Phase 1	182	2022/23
New jobs created (direct and indirect) – Phase 2	350	2025/26
Total new jobs created (direct and indirect) – Phases 1 & 2	532	2025/26
Construction jobs – Phase 1	265	2021/22
Construction jobs – Phase 2	450	2024/25
Total construction jobs – Phases 1 & 2	715	2024/25
Private sector investment – Phases 1 & 2	£62.5m	2024/25

RISKS AND MITIGATIONS

RISK	MITIGATION
Failure in financial management and reporting	<ul style="list-style-type: none"> The Board of HALO Kilmarnock Ltd receives monthly reports on all financial aspects of the project and address any significant variances from the approved full business case Robust financial systems and controls are in place and the Board of HALO Kilmarnock Ltd retains oversight of these
Failure of contractor	<ul style="list-style-type: none"> Contractor has been required to pass stringent financial tests Measures have been put in place to limit the impact of any failure include the provision of financial guarantees and insurance indemnities The main construction phase for Phase 1 is now complete and this risk is significantly reduced
Construction costs overrun	<ul style="list-style-type: none"> The final contract price has been agreed with a retention amount withheld from the agreed final value Any future changes to construction works will be subject to approval by the project

	director and variations in costs reported to the Board of HALO Kilmarnock Ltd for consideration
Economic downturn caused by Covid-19/Brexit or both	<ul style="list-style-type: none"> Strong agreements with private sector partners underpin this project and a robust project monitoring regime ensure that any issues are addressed and the project remains a key component of Ayrshire's recovery plan
Reputational	<ul style="list-style-type: none"> Specialist advisers have been appointed to deal with media enquiries and to communicate on any issue which is deemed to potentially impact on the reputation of the project and the Board of HALO Kilmarnock Ltd

PROJECT LEAD: GARY DEANS, HALO KILMARNOCK LTD., GARY.DEANS@HALO-PROJECTS.COM

8. **PROJECT: AYRSHIRE ENGINEERING PARK (MOORFIELD PHASE 3)**

PROJECT SUMMARY: Provision of high quality industrial premises for engineering and manufacturing companies; a fully-developed site with the required access and utilities infrastructure, high-spec digital connectivity and up to 10,576 square metres of units for growth and expansion of the existing engineering business base, and to attract inward investment.

The Ayrshire Engineering Park will provide expansion and development of Moorfield Industrial Park in Kilmarnock, creating serviced and high quality business space, with a range of units to support the advanced manufacturing and light engineering sectors in Ayrshire.

PROJECT THEMES: Inclusive Growth; Innovation; Internationalisation; high value manufacturing.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Soft and basic skills
- Business support (non-financial)
- Sustainable working population
- Structure of the economy
- Advanced digital skills
- Business premises
- Inward investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Developed Design (RIBA Stage 3) Report		1 December 2021
Full planning application submitted		12 December 2021
OBC approved by Government		31 January 2022
Land purchase completed		31 March 2022
Planning permission secured		15 April 2022
FBC approved by Joint Committee		30 June 2022
Main contractor procurement commences		15 July 2022
Main contractor appointed		31 August 2022
Main contracts work commence		15 September 2022

Initial business premises operational		15 September 2023
First tenants move in		1 November 2023
Practical completion of the full facility		31 March 2026
Final financial drawdown		30 June 2028

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business space created (NIA)	10,576 sq m	30 June 2028
Construction jobs created	160	30 June 2028
No of jobs delivered (direct and indirect)	136	30 June 2028
GVA (direct and indirect – 25 year NPV)	£78.90m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Design does not meet with Planning requirements/specification of buildings is flawed	<ul style="list-style-type: none"> • Design work to be carried out by appointed consultants as part of the scheme development • Secure appropriate planning consents prior to commencement of development Undertake appropriate environmental and flood risk assessments to ensure SEPA approval • Undertake ground survey to mitigate potential unforeseen ground conditions on greenfield site
Change management and project management failures	<ul style="list-style-type: none"> • Inclusion of project within directorate business plans, Council corporate plans, etc. • Establishment of AGD Programme board and adoption of project within work programme
Cost risks	<ul style="list-style-type: none"> • Ensure the development of a robust business case, so that AGD funding is secured • Ensure sufficient internal and external (partner) resources/budget in place to carry out project functions (e.g. political/operational commitment to AGD and constituent projects) • Ensure sufficient optimism bias built into costing of the project

	<ul style="list-style-type: none"> • Take a strategic approach to identifying other sources of funding, building an integrated funding 'package'
Failure to deliver community benefits from project	<ul style="list-style-type: none"> • Procurement team in EAC will support the tender process to ensure that community benefits are a key aspect of the ITT and are in line with agreed procurement regulations and principles
Failure to provide accurate projections for project spend	<ul style="list-style-type: none"> • Ensure sufficient optimism bias built into costing of the project • Inflationary factor included in cost estimations • Challenge panel led by PMO exists to review and scrutinise spend profiles
Failure to achieve more inclusive growth	<ul style="list-style-type: none"> • Work with Ayrshire College and private sector to increase Apprenticeship opportunities. Work closely with local academic institutions and Skills Development Scotland to mitigate this risk arising.
Supply phasing	<ul style="list-style-type: none"> • Regional governance arrangements in place will support the sharing of market intelligence and the phasing of development activity
Economic downturn relating to Brexit	<ul style="list-style-type: none"> • The development of an Ayrshire Economic Recovery Plan and Economic Strategy will provide a voice for Ayrshire to press the case for intervention and additional investment as well as incentives that complement the AGD projects and stimulate greater economic activity
Covid-19 affects confidence levels and interest from the private sector	<ul style="list-style-type: none"> • Structure in place to work with wider economic development teams to support this sector rebuild markets and supply chains • Strong links in place with the Ayrshire Engineering Alliance
Delays in construction – Covid-19	<ul style="list-style-type: none"> • Project management regime in place to monitor impacts • Working with contractors to address concerns and to devise solutions designed to minimise delays
Failure to attract commercial interest	<ul style="list-style-type: none"> • Success in this type of project to date demonstrates that EAC is adept at knowing how to target commercial interest and will develop a robust marketing campaign to underpin this as well as working closely with SE and SDI to secure investment

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9. **PROJECT: AYRSHIRE MANUFACTURING INVESTMENT CORRIDOR (AMIC)**

PROJECT SUMMARY: The Ayrshire Manufacturing Investment Corridor (AMIC) project will establish a Centre of Excellence with on-site support and start-up units. This will support the creation of new businesses and growth of existing businesses in the Food and Drink sector, as well as Advanced Manufacturing sector.

It will also address market failure with investment in commercial space and will deliver on the need for high quality premises to support business growth and internationalisation opportunities.

The Centre of Excellence will concentrate on Food & Drink as a key sector for Ayrshire and will have a complementary focus on dairy innovation as a niche sub-sector, supporting the proposed Borderlands Dairy Innovation Centre.

PROJECT THEMES: inclusive growth; Innovation; Internationalisation; high value manufacturing.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Soft and basic skills
- Business support (non-financial)
- Sustainable working population
- Structure of the economy
- Advanced digital skills
- Business premises
- Inward investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Site location confirmed		31 October 2021
OBC approved by Government		31 May 2022
Land purchased		31 May 2022
Full planning application submitted and secured		1 March 2023
FBC approved by Joint Committee		30 April 2023
Procurement commences		5 May 2023

Access and infrastructure works commence		1 October 2023
Phase 1 - works commence (Food & Drink Centre)		1 December 2023
Initial premises operational		1 December 2024
Phase 2 - works commence (Speculative Units)		1 May 2024
Phase 1 – first tenant secured		1 December 2024
Phase 2 - initial premises operational		1 November 2024
Phase 2 - fully operational at capacity		31 March 2028
Final financial drawdown		31 March 2028

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business space created (NIA)	10,546 sq m	31 March 2028
Construction jobs created	235	31 March 2028
No of jobs delivered (direct and indirect)	138	31 March 2028
GVA (direct and indirect – 25 year NPV)	£68.35m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Failure to provide accurate projections for project spend	<ul style="list-style-type: none"> • Ensure sufficient optimism bias built into costing of the project • Inflationary factor included in cost estimations • Project will be managed by project team in line with PRINCE 2 principles – any issues will be monitored and remedial action agreed to ensure delivery remains in line with the BC projections • Issues to be escalated PMO in first instance to agree remedial actions as appropriate
Failure to deliver community benefits from project	<ul style="list-style-type: none"> • Procurement colleagues will support the tender process to ensure that community benefits are a key aspect of the ITT and are in line with agreed AGD procurement principles
Quantity and availability of resource within partner organisations to deliver AMIC project in line with AGD programme	<ul style="list-style-type: none"> • Formal approvals of EAC's resources are now in place for AMIC project • Other funding streams will be explored to support ongoing revenue costs • Anticipated revenue streams will be subject to constant review through the monitoring procedures in place for AGD

Potential impact of Brexit on economic prosperity of region	<ul style="list-style-type: none"> • Development of Ayrshire Economic Growth Strategy • Ayrshire Regional Economic Partnership will provide voice for Ayrshire to press the case for government intervention investment, incentives and other forms of assistance to complement the AGD and to simulate greater economic activity
Failure to achieve more inclusive growth	<ul style="list-style-type: none"> • AMIC building will provide training and skills support opportunities for a broad section of the community from school leavers, to upskilling manufacturing employee • Apprenticeship opportunities across a wide range of categories • Work closely with local academic institutions and skills development Scotland to mitigate this risk arising
Delay or failure delivering project due to concerns around transport implications	<ul style="list-style-type: none"> • Undertake all Transport Assessments and reports as required by LDP • Continue to liaise with Transport Scotland • Continue to progress all site options proposed in BC to ensure best site possible is chosen and the project can be delivered
Failure to attract commercial interest in this project	<ul style="list-style-type: none"> • Market campaigns for AMIC will target potential investors. • Wider Ayrshire Economic Growth Strategy will be put in place to ensure wider growth ambitions for Ayrshire are agreed and be articulated to stakeholders and investors
Failure to attract businesses to locate within the centre due to uncertainty brought about by Covid-19	<ul style="list-style-type: none"> • Strong partnership approach in place to identify and work with potential external tenants and robust links to business support teams across Ayrshire to engage with existing and new start businesses for whom the research facility/incubator space would be ideal
Economic instability as a result of Covid-19	<ul style="list-style-type: none"> • The Ayrshire Economic Recovery Plan will focus on a greener and a fairer economy and this project is key to these two issues • The project team and wider partnership are focused on ensuring that the value of this project to those issues is maximised • The project team will also monitor any potential delays to the project in terms of construction timelines and will seek to address these as quickly as possible and with contractors
Duplication with projects being developed in other Deals in the UK	<ul style="list-style-type: none"> • Governance arrangements for this project link to other Deals to ensure that projects that appear to be similar are actually complementary and there will be a series of joint steering group meetings and ongoing discussion to ensure the added value of this project
Supply phasing	<ul style="list-style-type: none"> • Governance arrangements in place will support the sharing of market intelligence and the phasing of development activity

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10. PROJECT: i3 DIGITAL PROCESSING MANUFACTURING CENTRE & FLEXIBLE BUSINESS SPACE

PROJECT SUMMARY: Investment at i3, Irvine, will result in the creation of a Digital Processing Manufacturing Centre (DPMC) at i3, Irvine Enterprise Area to provide a Centre of Excellence for digital automation and approximately 8,830 sqm of flexible advanced manufacturing space serving digital process industries. This will build on current Life Science Clustering at the site, and will facilitate R&D activity, start up, spin out, and growth of Life Science businesses and other advanced manufacturing opportunities.

The National Digital Processing Industry Hub will have links to the National Manufacturing Institute for Scotland in partnership with Strathclyde University and industry. The combined offer at i3, centred round the National Digital Processing Industry Hub, will attract a range of supply chain and digital technology SMEs and start-up and offer strategic capacity to secure major digital process sector investment at i3.

PROJECT THEMES: Digital; Innovation; Productivity / Open Access; Internationalisation; Transforming Business / Inclusive Growth; Skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate & Advanced Skills
- Local Jobs
- Soft & Basic skills
- Childcare
- Sustainable working population
- Structure of economy
- Advanced digital skills
- Business premises
- Transport (people to jobs)
- Transport (goods to market)
- Inward investment

MILESTONES – i3 DPMC

DELIVERABLE	STATUS	DUE DATE
Establishment of project governance – SBC & RIBA Stage 0: Project Definition	Complete	31 August 2020
Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design		30 September 2021
OBC approved by Government		30 November 2021
Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		31 December 2022

Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		30 June 2023
Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		30 September 2023
Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		30 June 2025
Full project complete/final drawdown		31 March 2026

OUTCOMES, OUTPUTS AND TARGETS – i3 DPMC

OUTCOME	TARGET	DATE
Business Space Created (DPMC)	1,818 sq m	31 March 2026
New Jobs Created (direct and indirect (DPMC)	tbc	tbc
Construction Jobs Created (DPMC)	tbc	tbc
GVA (direct and indirect – 25 year NPV) (DPMC)	tbc	tbc

RISKS AND MITIGATIONS – i3 DPMC

RISK	MITIGATION
Failure to deliver anticipated outputs and outcomes	<ul style="list-style-type: none"> • Ensure BC addresses sensitivity of outcomes • Clear Evaluation & Monitoring Framework
Sister flexible space project business case fails and overall impact of i3 AGD programme is limited	<ul style="list-style-type: none"> • Flexible space proposal has strong supporting evidence base
Delays to procurement processes	<ul style="list-style-type: none"> • Seek early agreement on appropriate procurement routes • Include anticipated tender packages within the Council's Procurement Wave Plan
Planning approval/statutory consents delays	<ul style="list-style-type: none"> • Instruct SI work at early stage of project • Early engagement with planning and building standards • Assess Protected Species/Habitat risk at early stage • Review planning challenge/ appeals • Formally agree programme for consents • Advance programme of Local & Stakeholder Engagement • LDP supports development of site for this use • Engage with State Aid Unit

Cost overruns	<ul style="list-style-type: none"> • Develop and validate Project Brief and Specification • Benchmark costs • Ensure early infrastructure cost tested/ informed SI • Identify appropriate construction contract • Provide Green Book compliant optimism bias allowances • Provide for contingency
Rental income is lower than forecast	<ul style="list-style-type: none"> • Market review and comparator analysis will be used to identify appropriate rental levels and project board will retain close oversight of market demand
Detailed Business Case fails	<ul style="list-style-type: none"> • Development of SBC in accordance with Green Book and with strong supporting evidence
Demand – no interest from occupiers	<ul style="list-style-type: none"> • Flexible design to maximise potential interest from occupiers • Continue to establish strategic relationship with national sector (including links with NMIS)
Project delays and economic impact of Covid-19 and recovery	<ul style="list-style-type: none"> • Early analysis has identified that the need for this project is unlikely to be diminished and in fact may be even greater • Project team will continue to focus on economic analysis and the development of recovery plans should be implemented • Robust project scoping should continue to ensure the facility meets needs

MILESTONES – i3 Flexible Space

DELIVERABLE	STATUS	DUE DATE
OBC approved by Government	Complete	1 May 2021 complete 25 June 2021
Procurement of professional team	Complete	30 June 2021
Consultation with Planning and stakeholders on draft masterplan	Complete	30 June 2021
Completion of flexible space outline designs through masterplan process	Complete	30 June 2021
Transfer of land from Scottish Enterprise		30 September 2021
Ground investigations complete		30 September 2021
Submission of detailed planning application		30 September 2021
Planning permission granted		30 December 2021
FBC approved by Joint Committee		28 February 2022
Tender advertised		31 March 2022
Contract award and construction begins, phase 1 (20,000 sq ft unit)		30 June 2022

Construction works complete, phase 1 (20,000 sq ft unit)		30 June 2023
Building available for occupation		30 June 2023
Delivery of subsequent phases (including revision)		2022/23 to 2027/28
Final financial drawdown		31 March 2028

OUTCOMES, OUTPUTS AND TARGETS – i3 Flexible Space

OUTCOME	TARGET	DATE
Vacant and derelict land brought back into use	20 Ha	31 March 2028
Business Space Created (flexi space)	8,830 sq m	31 March 2028
New Jobs Created (direct and indirect) (flexi space)	162	31 March 2028
Construction Jobs Created (flexi space)	150	31 March 2028
SMEs supported (flexi space)	5	31 March 2028
People accessing jobs through Employability & Skills Programme	18-35	31 March 2028
GVA (direct and indirect – 25 year NPV) (flexi space)	£79.98m	31 March 2045

RISKS AND MITIGATIONS – i3 flexible space

RISK	MITIGATION
Failure to deliver anticipated outputs and outcomes	<ul style="list-style-type: none"> • Ensure BC addresses sensitivity of outcomes • Clear Evaluation & Monitoring Framework
Delays to procurement processes	<ul style="list-style-type: none"> • Seek early agreement on appropriate procurement routes • Include anticipated tender packages within the Council's Procurement Wave Plan
Planning approval/statutory consents delays	<ul style="list-style-type: none"> • Zoned & allocated site • Pre-App discussion with North Ayrshire Council Planning • Assess Protected Species/Habitat risk at early stage • Review planning challenge/ appeals • Formally agree programme for consents • Advance programme of Local & Stakeholder Engagement
Cost overruns	<ul style="list-style-type: none"> • Develop and validate Project Brief and Specification • Benchmark costs • Ensure early infrastructure cost tested/ informed SI • Provide Green Book compliant optimism bias allowances • Provide for contingency

Rental income is lower than forecast	<ul style="list-style-type: none"> • Market review and comparator analysis will be used to identify appropriate rental levels and project board will retain close oversight of market demand
Detailed Business Case fails	<ul style="list-style-type: none"> • Development of OBC/FBC in accordance with Green Book • Partner/Stakeholder Risk Assessment • Early Market Input/ Partner & Commercial Input • Review CAPEX and OPEX costs • Review Governance Arrangements • Adjustments to design spec at each phase to meet changing demands.
Demand – no interest from occupiers	<ul style="list-style-type: none"> • Flexible design to maximise potential interest from occupiers • Continue to establish strategic relationship with national sector (including links with NMIS)
Project delays and economic impact of Covid-19 and recovery	<ul style="list-style-type: none"> • Early analysis has identified that the need for this project is unlikely to be diminished and in fact may be even greater • Project team will continue to focus on economic analysis and the development of recovery plans will incorporate this as a key project for implementation as part of that wider plan • Work with contractors to devise solutions designed to minimise impact of social distancing – such as different work patterns

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11. PROJECT: COMMUNITY RENEWABLE ENERGY PROJECT (CoRE) (formerly NERD)

PROJECT SUMMARY: This 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 be at the heart of the integration of renewable energy and SMART technologies. It will focus on enabling and maximising local energy distribution networks, energy storage and community based energy generation, exploiting the unique geography of the area while enhancing the environment.

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.

PROJECT THEMES: energy; inclusive growth; innovation; internationalisation; high value manufacturing.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Health
- Business support (non-financial)
- Sustainable working population
- Structure of the economy
- Business premises
- Digital connectivity
- Transport (people to jobs)
- Inward investment
- Advanced digital skills/innovation

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Operational Model confirmed		2 June 2021
Land purchased/secured		1 August 2021
RIBA Stage 3 - developed design report		6 August 2021
OBC approved by Government		22 August 2021
Procurement commences		31 August 2021
Planning Permission secured		8 December 2021
FBC approved by Joint Committee		30 January 2022
Contractors appointed		5 February 2022
Access and infrastructure works commence		1 October 2022
Construction complete		30 September 2023
100% occupancy of research space		31 March 2026
90% occupancy of business/office space		31 March 2027
All phases of project complete		31 March 2030
Retentions paid and final financial drawdown		31 March 2030

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business space created	1,633 sq m	31 March 2030
Construction jobs created	159	31 March 2030
Number of net jobs delivered (direct and indirect)	61	31 March 2030
GVA (direct and indirect – 25 year NPV)	£26.27m	31 March 2045
Number of PHD students	14	31 March 2030
Number of Research students	10	31 March 2030
Number of Construction MAs	10	31 March 2030
Number of General MAs	30	31 March 2025
Energy cost savings over the project lifespan	£1.5m	31 March 2030
Rents being paid in absence of voids	£88,000	31 March 2030

RISKS AND MITIGATIONS

RISK	MITIGATION
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Failure to secure appropriate site for this development	<ul style="list-style-type: none"> • Early dialogue has been initiated with respective land owners and more than one site is under consideration • Estates team involved at this stage to ensure timely negotiation and conclusion of land transaction
Cost overrun	<ul style="list-style-type: none"> • Ensure sufficient optimism bias built into costing of the project • Detailed work will be carried out prior to procurement by professional cost specialists, both from the construction and energy sectors, to ensure accurate cost estimates are in place • Subsequent contracts will be robustly managed by qualified professional team and in accordance with EAC contract management protocols
Demonstrator projects / research does not deliver outcomes that are viable to be deployed and extended to other locations.	<ul style="list-style-type: none"> • The risk will be reduced by: (i) working from the outset with energy specialists at the Energy Technology Partnership to identify priorities for research based on both the needs and physical assets of the local area and taking account of what research is going on elsewhere; (ii) ensure the project undertakes a wide range of research; limited success in some aspects may be balanced out by big wins in other areas; and (iii) ensuring flexibility is built in to the project to allow the direction of research to change to take account of emerging technology and the findings of initial stages of research.
Existing infrastructure constraints are too significant to overcome, preventing the development of a new energy system for the Cumnock area.	<ul style="list-style-type: none"> • Early engagement and involvement with Scottish Power Energy Networks (SPEN) will be a key cornerstone of project development • A key component of all research and demonstrator projects will be the ability of existing distribution infrastructure to accommodate new energy generation and the viability of upgrading the infrastructure where required
Failure to attract investors and new businesses to locate within the Centre of Excellence	<ul style="list-style-type: none"> • Project team will work collaboratively with specialist partners, including Scottish Enterprise and Energy Technology Partnership, from an early stage to identify and work with potential investors • At a local level, the Council will work with existing businesses and start-ups to explore how they can benefit from the project, a potential arm of which could be to locate into the research facility/incubator space
Lack of community buy-in. Residents not willing for adaptations to be made to their homes to transition to a low carbon energy system.	<ul style="list-style-type: none"> • Continued programme of engagement throughout the project, to ensure the community are an integral part of the programme • Engagement should focus on a combination of (i) localised and personal financial benefits; and (ii) the wider contribution of the project to a low carbon economy and to addressing the climate emergency

Failure to achieve more inclusive growth and/or reduce poverty by increasing the income of people in deprived areas or protected characteristic groups	<ul style="list-style-type: none"> • Ensure that the project attempts to tackle other inclusive growth drivers such as educational attainment, skills gaps, employment rate for females and percentage of people who have been out of work for a long period of time • Work with relevant partners to build in inclusive growth into each Demonstrator project and ensure that the projects are addressing a number of equalities ambitions • Monitor and review regularly the inclusive growth drivers, community wealth building indicators and equality impact assessment for the wider project and each demonstrator project
Covid-19 – delays to build programme	<ul style="list-style-type: none"> • Project team in discussion with a range of contractors to understand the potential problem and to identify solutions designed to minimise impact • Contractors positive about ability to maintain pace on sites • Financial profile has been adjusted to reflect a slightly slower build rate

PROJECT LEAD: LORNA CLARK, EAST AYRSHIRE COUNCIL – LORNA.CLARK@EAST-AYRSHIRE.GOV.UK

12. PROJECT: HUNTERSTON STRATEGIC DEVELOPMENT AREA

PROJECT SUMMARY: Hunterston is a strategic site within NPF3, 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 City Region. 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 exploit 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.

Activities align with the Zero Carbon 2045 national strategy, including transitional arrangements associated with de-carbonised energy such as manufacturing and servicing support for offshore renewable energy development.

PROJECT THEMES: Regeneration; Energy; Decarbonisation; Innovation; Internationalisation; Zero Carbon; Industrial Ecology; Inclusive Growth; Employability and Skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate & Advanced Skills
- Local Jobs
- Health
- Soft & basic Skills
- Business Support (non-financial)
- Sustainable Working Population
- Structure of Economy
- Advanced digital skills/innovation
- Digital connectivity
- Transport (people to jobs)
- Transport (goods to market)
- Inward Investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Establishment of project governance – SBC & RIBA Stage 0: Project Definition	Complete	31 August 2020
Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design		31 December 2021
Submission of Hunterston/IMSE Programme Business Case (Sector based)		31 January 2022
OBC approved by Government (Phase 1)		28 February 2022
Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		31 December 2022
Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		30 June 2023
Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		31 December 2024
Delivery of future phases		2024/2029
Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		31 March 2029
Full project complete/final drawdown		31 March 2029

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business Space Created	15,000 sq m	31 March 2029
No of SMEs Supported	4	31 March 2029
Vacant and Derelict Land Brought Back into use	21 Ha	31 March 2029
Leverage Funding	£200m	31 March 2029

RISKS AND MITIGATIONS

RISK	MITIGATION
Concept not supported by Partners and evidence of investment/market support not forthcoming	<ul style="list-style-type: none"> Project team/Peel Port Group/SE developing and promoting an investment model to secure major inward investment plus academic partners and industry Dialogue being progressed around role, responsibilities and funding commitments
Concept development with ORE Catapult / Other Industry	<ul style="list-style-type: none"> Peel Port Group and SE seeking Proof of Concept funding and special research funding to frame strategic innovation proposition for Hunterston PARC and to identify leading inward investment/academic partners and industry

/ Institute partners delayed – requires additional studies	
Concept and Operational Management revised /amended	<ul style="list-style-type: none"> • Project team/Peel Port Group developing a partnership/investment model to secure inward investment/academic partners and industry
Project fails to secure necessary consents	<ul style="list-style-type: none"> • Project team is in early dialogue with key regulatory partners and stakeholders
Other Development/Investment/Proposals impact on capacity/deliverability	<ul style="list-style-type: none"> • Project team/Peel Port Group seeking to collaborate with major partners to develop a clear investment strategy/masterplan and investment led project proposition for AGD
Unforeseen project complexities that require additional funding	<ul style="list-style-type: none"> • Provide Green Book compliant optimism bias allowances • Provide for contingency • Project monitoring will track potential impacts and create ability to respond
Ground conditions and historical legacy of site infrastructure create major burdens for development	<ul style="list-style-type: none"> • Project team is working with Peel Port Group to understand the development issues/infrastructure/utilities impacting onsite re-development
Major event/disruption including Covid-19 impacts on concept/partners/delivery	<ul style="list-style-type: none"> • Early analysis identifies that the need for the project is unlikely to be diminished – in fact the need may be greater • Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs • Strong project governance in place to maintain a focus on this issue and to monitor its longer term impact so that mitigations can be implemented in a systematic and effective manner • Project is later in AGD programme and social distancing is not expected to be an issue by then

PROJECT LEAD: NEALE MCILVANNEY, NORTH AYRSHIRE COUNCIL – NEALEMCILVANNEY@NORTH-AYRSHIRE.GOV.UK

13. PROJECT: INTERNATIONAL MARINE SCIENCE AND ENVIRONMENTAL CENTRE (IMSE), ARDROSSAN

PROJECT SUMMARY: 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.

The new International Marine Science and Environmental Centre (IMSE) will be based at Ardrossan, and 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.

A key element of IMSE will be providing start-up companies within the maritime sector with access to opportunities, support from industry specialists, experts and mentors, in order to develop collaborations.

PROJECT THEMES: Innovation; Skills Development; Regeneration; Internationalisation; Employability and Skills; Education; Research; Industry Partnered.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate & Advanced Skills
- Local Jobs
- Health
- Soft & basic Skills
- Business Support (non-financial)
- Sustainable Working Population
- Structure of Economy
- Business premises
- Transport (people to jobs)
- Inward Investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Establishment of project governance – SBC & RIBA Stage 0: Project Definition	Complete	31 August 2020

Submission of Hunterston/IMSE Programme Business Case (Sector based)		31 January 2022
Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design		31 December 2022
OBC approved by Government (Phase 1)		28 February 2023
Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		31 December 2023
Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		30 June 2024
Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		31 March 2025
Delivery of additional phases		2025-2027
Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		31 March 2027
Full project complete/final drawdown		31 March 2027

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Business Space Created	6,175 sq m	31 March 2027
No of SMEs Supported	4	31 March 2027
Vacant and derelict land brought back into use	0.6 Ha	31 March 2027
No of new jobs (direct and indirect)	75	31 March 2027
Construction jobs	105	31 March 2027
GVA (direct and indirect – 25 year NPV)	£19.39m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Concept not supported by Partners	<ul style="list-style-type: none"> Project team developing a partnership model with leading academic partners and industry Dialogue being progressed around role, responsibilities and funding commitments
Strategic need and consolidation in sector advises Co-Location with wider projects	<ul style="list-style-type: none"> Project team developing a partnership model with leading academic partners and industry

Concept and Operational Management revised /amended	<ul style="list-style-type: none"> • Project team developing a partnership model with leading academic partners and industry
Unforeseen project complexities that require additional funding	<ul style="list-style-type: none"> • Provide for contingency • Provide Green Book compliant optimism bias allowances • Project monitoring will track potential impacts and create ability to respond
Programme delay created within wider strategic delivery plan for Ardrossan	<ul style="list-style-type: none"> • Project team undertaking masterplanning process to identify all project requirements and spatial needs
Project cannot secure necessary consents	<ul style="list-style-type: none"> • Project team in early dialogue with key regulatory partners and stakeholders to address any concerns
Covid-19 impacts on concept/partners/delivery	<ul style="list-style-type: none"> • Early analysis identifies that the need for the project is unlikely to be diminished – in fact the need may be greater • Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs • Covid-19 may have long term ramifications for investment and good governance and project management processes will monitor regularly to identify required mitigations • Project is later in AGD programme and is not expected to be impacted by social distancing measure

PROJECT LEAD: NEALE MCILVANNEY, NORTH AYRSHIRE COUNCIL – NEALEMCILVANNEY@NORTH-AYRSHIRE.GOV.UK

14. PROJECT: THE GREAT HARBOUR, IRVINE HARBOURSIDE AND ARDEER

PROJECT SUMMARY: This project comprises part of an expansive investment programme to secure The Great Harbour as a major regional destination. Growth Deal components of the investment programme will commit £14m to a phased programme of works which will lead the physical transformation of the wider location by implementation of the maritime mile project. Additional Growth Deal funding will create capacity to support community participation in commercial opportunities at the maritime mile. 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.

The initial investment will deliver the 'Maritime Mile' which will drive the Great Harbour transformation. The Maritime Mile will build on the unique qualities of place, creating a national waterfront destination focussed on a series of 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, to achieve a regional waterfront destination that will transform the tourism and the visitor potential of Ayrshire and the Clyde Coast. The Maritime Mile 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 THEMES: Creative Places; cultural innovation; area regeneration; play; heritage; environment; tourism; inclusive growth; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Local Jobs
- Health
- Soft and Basic skills
- Sustainable working population
- Business Premises
- Housing
- Inward investment
- Business support (non-financial)
- Structure of the economy
- Transport (people to jobs)

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Establishment of project governance – SBC & RIBA Stage 0: Project Definition	Complete	31 March 2021

Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design	Complete	31 March 2021
OBC approved by Government	Complete	30 May 2021 complete 25 June 2021
Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		31 December 2021
Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		30 June 2022
Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		31 December 2022
Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		31 December 2024
Full project complete/final drawdown		31 March 2028

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Vacant and derelict land brought back into use	6 Ha	31 March 2028
Public realm created/enhanced	8,000 sq m	31 March 2028
Construction jobs	50	31 March 2028
No of new jobs (direct & indirect)	145	31 March 2028
GVA (direct and indirect – 25 year NPV)	£60m	31 March 2045
Increase in day visitor numbers per year	134,000	31 March 2028
Increase in overnight visitor numbers per year	66,000	31 March 2028
No of SMEs Supported	5	31 March 2028
Private sector investment	£2m	31 March 2028
Private sector investment (follow-on development)	£70m	31 March 2045
Cycle routes created/enhanced	1,500m	31 March 2028
Pedestrian routes enhanced	1,500m	31 March 2028

RISKS AND MITIGATIONS

RISK	MITIGATION
Consensus across partners, stakeholders, community bodies or regulatory/	<ul style="list-style-type: none"> North Ayrshire Council have completed a formal Partnership Agreement between NAC/NPL and agree a joint masterplan approach

consenting authorities not secured	<ul style="list-style-type: none"> • Develop a Development Agreement to frame commercial/operational detail around investment • Engagement and integration of Local Outcome Improvement Plan/Community Planning needs to address wider vision and address issue of housing and investment at Big Idea
Revenue implications and business case provisions not satisfied	<ul style="list-style-type: none"> • Development of OBC/FBC in accordance with Green Book • Partner/stakeholder risk assessment to include early market input/partner and commercial review by Board • Review CAPEX and OPEX costs • Review governance arrangements and prepare Development Agreement (NAC/NPL)
Increase in capital costs associated with changing scope or inappropriately quantified cost provisions	<ul style="list-style-type: none"> • Cost estimates based on current market • Detailed technical studies to inform design and a fully detailed/itemised cost plan • Project management established to monitor costs • Optimism bias built into costings • Future design team to include cost consultancy
Project outcomes, including inclusive growth and reducing inequalities, fail to be delivered	<ul style="list-style-type: none"> • AGD PMO is currently working with project leads to develop a consistent approach to ensure inclusive growth, equalities and community wealth building outcomes are embedded in each AGD business case. This approach will ensure explicit commitment to how the project will achieve inclusive growth and reduce inequality
Technical approach to quays/pontoons and land connections cannot be agreed with key stakeholders	<ul style="list-style-type: none"> • Development of Partnership/Operator Plan and detailed GANTT Programme ensuring programme allows time for engagement and approvals • PPIP route minimises risks and ensures full engagement with statutory bodies and community • NAC in discussion with Harbour Authority • Development Briefs drafted for Great Harbour
Economic downturn as a result of Covid-19	<ul style="list-style-type: none"> • Robust project management in place to analyse impact on this project and wider sector and focus will be placed on this project as an important element of the recovery agenda in Ayrshire • Project team will work with contractors to understand the impact of social distancing on the labour force but expected to be minimal given this is land based • Continue economic analysis and development of recovery plans will be implemented • Robust project scoping should continue to ensure the facility meets needs

PROJECT LEAD: ALASDAIR LAURENSEN, NORTH AYRSHIRE COUNCIL – ALAURENSEN@NORTH-AYRSHIRE.GOV.UK

15. **PROJECT: MARINE TOURISM**

PROJECT SUMMARY: The Marine Tourism project is a tourism development and place project that develops the essential infrastructure to support marine tourism (mainland/island/Outer Clyde) building significant additional capacity within the region and Outer Clyde.

The components of the Marine Tourism Investment are the provision of a major extension to Ardrossan Marina and step-ashore facilities at both Cumbrae and Arran.

The Marine Tourism project will focus on securing infrastructure to support key components such as sailing and boating, marine leisure, and recreation in North Ayrshire. Investment at Ardrossan, Arran and Cumbrae will showcase the potential of the Clyde coast region as an inclusive and accessible place for active leisure, through the expansion of Ardrossan marina to be one of the largest marinas in Scotland, and the development of transit marinas at Arran and Cumbrae.

PROJECT THEMES: Tourism; active leisure; place; regional regeneration; enterprise; environment; inclusive growth; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Local jobs
- health
- soft & basic skills
- business support (non-financial)
- sustainable working population
- inward investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Establishment of project governance – SBC & RIBA Stage 0: Project Definition	Complete	31 August 2020
Submit Marine Tourism Programme Business Case		31 December 2021
Ardrossan Marina: Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design		31 December 2021
OBC approved by Government (Ardrossan)		31 March 2022

Ardrossan Marina: Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		30 September 2022
Transit Marinas: Sign-off concept delivery/objectives – OBC (internal) & RIBA Stage 1-2: Concept Design		31 March 2023
OBC approved by Government (Transit Marinas)		31 May 2023
Ardrossan Marinas: Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		30 September 2023
Transit Marinas: Sign-off scheme/objectives – RIBA Stage 3-4: Technical Design		31 December 2023
Transit Marinas: Sign-off capital spend/contract appt – FBC approved by Joint Committee & RIBA Stage 4a: Tender Action & Reporting		31 December 2024
Ardrossan Marina: Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		31 December 2024
Transit Marinas: Sign-off constructed scheme (post FBC) – RIBA Stage 5-6: Construction & Handover		31 December 2025
Ardrossan Marina: Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		31 March 2026
Transit Marinas: Reporting outputs/outcomes/CWB (Post FBC) – AGD Evaluation/Monitoring & RIBA Stage 7: Operating Project		31 December 2027
Full project complete/final drawdown		31 March 2030

OUTCOMES, OUTPUTS AND TARGETS*

*Project team are considering the project scope as a result of a significant increase in costs and likely to go through the change management process within the next few months, with targets, outputs and outcomes likely to change thereafter

OUTCOME	TARGET	DATE
Vacant and derelict land brought back into use	0.1 Ha	31 March 2030
Marina extensions / new berths	350	31 March 2030
Increase in day visitor numbers per year	67,000	31 March 2030
Increase in overnight visitor numbers per year	33,000	31 March 2030
Public realm improvements	1,500 sq m	31 March 2030
Visitor berth value	£487,000	31 March 2030
Resident berth value	£2.2m	31 March 2030
Construction jobs	30	31 March 2030

No of new jobs (direct & indirect)	30	31 March 2030
GVA (direct and indirect – 25 year NPV)	£17m	31 March 2045
No of SMEs supported	3	31 March 2030
Private sector investment	£5m	31 March 2030
Private sector investment (follow-on development)	£3m	31 March 2045

RISKS AND MITIGATIONS

RISK	MITIGATION
Agreements including Development and Operating Agreements between commercial partners and community interest company cannot be secured	<ul style="list-style-type: none"> North Ayrshire Council seeking to advance formal Development Agreement between NAC/NPL and agree a joint masterplan approach
Planning, licenses and consents for the scheme are not secured or are delayed	<ul style="list-style-type: none"> Address need for range of consents/licences including Planning; Marina Licence potentially including EIA and HRA/AA Early EIA scoping and screening Early review of risk of planning challenge/appeals Ensure project plans allow for delay to consents Advance programme of local and stakeholder engagement
Changes to capital costs or inappropriately quantified cost provisions	<ul style="list-style-type: none"> Detailed technical studies in place to inform design Design team includes a cost consultancy and detailed assessment of contingency and optimism bias is in place
Site/ground conditions are inadequate to provide cost certainty	<ul style="list-style-type: none"> Full SI/GI and bathy surveys will be undertaken at an early stage in project development
Agreement on technical approach to quays/pontoons and land connections cannot be agreed with stakeholders	<ul style="list-style-type: none"> Development of partnership/operator plan. Marketing with partners NPL/NMMS
Development agreement and market economy investor principle for Ardrossan fails to secure support	<ul style="list-style-type: none"> Project team taking legal advice in terms of state aid and agreement will be based on commercial lease terms required for Ardrossan
Wider stakeholder and community interests not fully engaged with project	<ul style="list-style-type: none"> Early consultation has identified that communities and stakeholders are supportive Project team will devise engagement strategy to ensure appropriate engagement with stakeholders/operators/user groups

Third party operators not forthcoming	<ul style="list-style-type: none"> Detailed discussions with Clyde Marine ongoing in relation to service delivery
Weak economic conditions relating to Covid-19	<ul style="list-style-type: none"> Project is part of a wider Clyde Islands and Coast Renaissance – cross sector spatial tourism initiative and will be part of the region’s recovery work

PROJECT LEAD: ALASDAIR LAURENSEN, NORTH AYRSHIRE COUNCIL – ALAURENSEN@NORTH-AYRSHIRE.GOV.UK

DRAFT

16. PROJECT: DIGITAL – SUBSEA CABLE AND INFRASTRUCTURE

PROJECT SUMMARY: This investment will put in place a key piece of the connectivity infrastructure to help attract global businesses, enable the potential creation of a datacentre cluster of national significance, leading to the creation of high value jobs. The digital projects will make Ayrshire a world-class digitally connected region that is attractive to investors across many elements of the digital economy.

Ayrshire will no longer lag behind by being at the forefront of digital connectivity, and will present an agile ubiquitous digital infrastructure to encourage indigenous and future investors to the region.

The Digital programme will target three strands of work, all of which will contribute to the success of the other projects within the Ayrshire Deal. The three strands of work are as follows:

- £11m towards a subsea fibre optic cable system and associated infrastructure;
- £1m enhancing 4G Infill and establishing 5G capability within the rural communities;
- £2m to upgrade key sites linked to the Ayrshire Growth Deal (AGD) as regional digital hubs and centres of digital excellence at Prestwick Airport, AMIC, Moorfield, CoRE, HALO Kilmarnock, Hunterston and i3.

PROJECT THEMES: digital; connectivity; innovation; internationalisation; inclusive growth; inward investment; sectoral development employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- local jobs
- advanced digital skills/innovation
- health
- housing
- business support (non-financial)
- sustainable working population
- structure of economy
- access to finance
- business premises
- digital connectivity
- transport (people to jobs)
- transport (goods to market)
- inward investment

MILESTONES

DELIVERABLES	STATUS	DUE DATE
OBC approved by Government (Subsea Cable & Infrastructure)		1 October 2021
FBC approved by Joint Committee (Subsea Cable & Infrastructure)		1 February 2022
Regulatory consents approved – specific to key site upgrades		31 March 2022
A fibre optic cable landing point established in Irvine Ayrshire		31 March 2023
New on shore infrastructure to facilitate the rollout of 5G networks		31 March 2024
Fibre deployment in rural locations facilitated more easily		31 March 2024
Agile digital platform in place both key sites and rural		31 March 2025
Rural Ayrshire 'switched on' to digital technology and using sensor and SMART technology		31 March 2025
Project completion/final drawdown		31 March 2025

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Fibre optic cable established	1	31 March 2023
Datacentre space created	3	2023 to 2025
Key sites upgrades	7	31 March 2025
New jobs created (indirect)	424	31 March 2030

RISKS AND MITIGATIONS

RISK	MITIGATION
Shift in project phasings	<ul style="list-style-type: none"> Conclude discussions with commercial operators. Secure financial model
Planning/wayleave approval risks	<ul style="list-style-type: none"> Work with appropriate authorities; key officers assigned to facilitate efficient processing of applications
Cost overruns	<ul style="list-style-type: none"> Robust contract management in place Appropriate procurement procedures followed and optimism bias built into business case

Delays in full business case approval	<ul style="list-style-type: none"> • Robust project management in place to address issues with business case; to monitor progress against timelines and to address any potential delays
Delays to procurement processes	<ul style="list-style-type: none"> • Early discussion with procurement colleagues to minimise delays
Legislative changes	<ul style="list-style-type: none"> • Robust management plans in place to oversee and anticipate changes • Agree tolerances and contingencies at early stage, with appropriate flexibility in place where projects can be scaled back if necessary
Project delays due to Covid-19	<ul style="list-style-type: none"> • Early analysis identifies that the need for this project may be greater as a result of Covid-19 • Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs
Market changes/wider economic issues	<ul style="list-style-type: none"> • Robust management plans in place to oversee and anticipate changes • Agree tolerances and contingencies at early stage, with appropriate flexibility in place where projects can be scaled back if necessary • Buy in additional support from mobile operators • Covid-19 impact and moves to more remote working is likely to make this investment more of a priority • Project team will work with contractors to monitor impact of social distancing on project delivery timelines and to implement remedial action if required
Competition from other areas – alternative landing sites identified	<ul style="list-style-type: none"> • Project management arrangements in place to progress Ayrshire proposition • To achieve resilience for Scotland as a whole there may be a requirement for further sites and this may not impact on proposals in Ayrshire

PROJECT LEAD: MICHAEL O'BRIEN, SOUTH AYRSHIRE COUNCIL – MICHAEL.O'BRIEN@SOUTH-AYRSHIRE.GOV.UK

17. PROJECT: SKILLS AND INCLUSION: AYRSHIRE SKILLS INVESTMENT FUND

PROJECT SUMMARY: The establishment of a responsive skills fund to drive Inclusive Growth to support skills interventions and associated management costs.

The fund will have core themes including: digital skills; in-work progression; route 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 demands that become evident. The fund Board will assess these aims on an annual basis, and prioritise them based on the available intelligence.

PROJECT THEMES: inclusive growth; inward investment; sectoral development; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Health
- Basic digital skills
- Business support (non-financial)
- Sustainable working population
- Structure of economy
- Advanced digital skills
- Inward investment

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Development of governance documents		30 May 2021
OBC approved by Government		30 June 2021
FBC approved by Joint Committee		13 September 2021
Development of guidance for fund applicants		30 September 2021
1 st call for proposals		30 September 2021
Establishment of Project Board		tbc

Quarterly application deadlines		Ongoing
1 st annual review		31 March 2023
End of programme/final drawdown		31 March 2027

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
No of people benefiting from pre-employment upskills	500	31 March 2027
No of people benefiting from in work skills development	500	31 March 2027
People benefiting from accredited training	300	31 March 2027
No of businesses benefiting from employees with improved skills levels	300	31 March 2027
Reduction in unemployed residents	500	31 March 2027
No of participants progressing to living wage opportunities	200	31 March 2027
Increased employment rate for females, disabled, long term unemployed, parents	5%	31 March 2027

RISKS AND MITIGATIONS

RISK	MITIGATION
Programme does not secure sufficient partner buy in to ensure an effective set of interventions are designed and funded	<ul style="list-style-type: none"> • Early establishment of Regional Skills Board with strategic oversight • Quarterly progress reports and annual review will inform decision making processes • The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress
Failure to deliver anticipated impacts across the region in terms of Inclusive Growth	<ul style="list-style-type: none"> • Quarterly progress reports and annual review will inform decision making processes • The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress • The partnership will conduct a mid-programme evaluation to check the direction of travel is still correct

Disadvantaged residents do not see tangible benefits from projects	<ul style="list-style-type: none"> • Applicants to the fund will be required to detail how delivery against inclusion targets will be assured • Quarterly progress reports and annual review will inform decision making processes • The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress
Inadequate project management results in failure to delivery agreed outcomes	<ul style="list-style-type: none"> • The Regional Skills Board will provide expert advice on what should be supported through the fund • Adopt programme and project management best practice • These arrangements will be reviewed on an annual basis to ensure they remain fit for purpose • The Steering Group will conduct a mid-programme evaluation and adjust project activity as appropriate
Project delays due to Covid-19	<ul style="list-style-type: none"> • Early analysis identifies that the need for this project may be greater as a result of Covid-19 • Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs

PROJECT LEAD: GREIG ROBSON, NORTH AYRSHIRE COUNCIL – GREIGROBSON@NORTH-AYRSHIRE.GOV.UK

18. PROJECT: WORKING FOR A HEALTHY ECONOMY

PROJECT SUMMARY: The importance of public health and the need for a healthy and productive workforce has never been clearer. Ayrshire needs to reduce the number of residents who cannot contribute to the economy fully and maximise their own potential, through health barriers.

The links between health and economy are well evidenced. Health was assessed as the most significant barrier to Inclusive Growth in Ayrshire in the Inclusive Growth Diagnostic.

The project will target large scale investment in occupational health services to ensure that Ayrshire has the requisite workforce to drive economic growth in the future.

The project will offer a criteria free, single access point to work focused health support across Ayrshire for both residents and employers. This project will serve to widen the labour pool and provide the basis for the maximisation of benefits arising from Ayrshire Growth Deal capital investments.

PROJECT THEMES: inclusive growth; inward investment; sectoral development; employability and skills.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Health
- Soft and basic skills
- Business support (non-financial)
- Sustainable working population
- Structure of economy

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Advert for procurement framework issued	Complete	28 February 2021
Tender submissions assessed	Complete	30 April 2020
Agreement of Framework for tender	Complete	31 May 2020
OBC approved by Government	Complete	19 February 2021

FBC approved by Joint Committee	Complete	22 February 2021
Contract awarded	Complete	12 March 2021
Project preparations for implementation complete		30 June 2021
Monthly meeting with contractor		Ongoing
Monthly reporting to PMO		Ongoing
Quarterly Project Board meetings		Ongoing
Annual review		tbc
Evaluation commences		tbc
End of programme/final drawdown		31 March 2026

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
No of people accessing assessment & report	960	31 March 2026
No of people accessing full management support via telephone	1,600	31 March 2026
No of people accessing full case management support delivered face to face	3,838	31 March 2026
No accessing funded treatment	3,809	31 March 2026
No of people receiving support via group work	2,400	31 March 2026
No of people receiving Mental Health First Aid training	960	31 March 2026
No of people returning to work	1,293	31 March 2026
Unemployed residents supported	5,172	31 March 2026
Employed residents supported	4,586	31 March 2026
Employed residents retaining work (85%)	3,898	31 March 2026

RISKS AND MITIGATIONS

RISK	MITIGATION
Delay in the programme incurs additional costs	<ul style="list-style-type: none"> Finance plans Costs will be managed through a legal contract and thereby shouldn't vary significantly
Unforeseen complexities that require additional funding	<ul style="list-style-type: none"> Provide for contingency Provide Green Book compliant optimism bias allowances Similar project has been delivered previously Project monitoring will track potential impacts and create ability to respond

Implementation: Over demand or lack of demand	<ul style="list-style-type: none"> Proposed targets are based on delivery experience across Scotland and the experience of delivering a case management service in North Ayrshire recently The proposal as it stands is designed to remove barriers to accessing this service. In the event of over demand, referral criteria can be set to reduce demand Project Board has discussed geographical disparity between geographies and agreed mitigation action. Agreed to review again in October.
National programmes are introduced which result in duplication	<ul style="list-style-type: none"> Closely monitor national developments and build in flexibility to contracting arrangements to allow us to change course at short notice if national provision is introduced that duplicates provision.
Failure to deliver anticipated outputs and outcomes. Failing to achieve more inclusive growth and/or reduce poverty by increasing the income of people in deprived areas or protected characteristic groups.	<ul style="list-style-type: none"> Closely monitor national developments and have built in flexibility to contracting arrangements to allow us to change course at short notice to respond to programme impact Covid-19 impacts on specific groups will be assessed. Early indications are that young people, females, those with health issues or disabilities will be disproportionately impacted by recession, therefore more targeted
Implementation: End of project 'cliff edge'	<ul style="list-style-type: none"> Would hope to influence the national policy around occupational health services, as a legacy of the programme
Appointed contractor could be impacted negatively by Covid-19	<ul style="list-style-type: none"> As part of procurement process, robust checks have been made on financial standing of delivery organisations
Project delay and macro-economic impact of Covid-19 and recovery	<ul style="list-style-type: none"> Early analysis identifies that the need for the project is unlikely to be diminished – in fact may be greater Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure proposal meets needs

PROJECT LEAD: GREIG ROBSON, NORTH AYRSHIRE COUNCIL – GREIGROBSON@NORTH-AYRSHIRE.GOV.UK

19. PROJECT: COMMUNITY WEALTH BUILDING

PROJECT SUMMARY: This project seeks to develop resilient, inclusive local economies, with more local employment and a large and more diverse business base. Specifically, this project will advance the procurement, employment, ownership and asset pillars of Community Wealth Building (CWB), across the public, private and social economy of the region. The project has three key elements to achieve this:

- CWB Business Locality Officers – to work in localities alongside Anchor Institutions to facilitate CWB activities across public, private, and social economy on procurement, employment, assets and ownership, linking with existing local service delivery;
- CWB Fund - to support place-based CWB activity, and the work of CWB locality officers, including but not limited to: social enterprise support, employee ownership transition, workplace innovation, supplier development and capacity building, and supporting locality entrepreneurship;
- Fair Work Ayrshire programme - A dedicated Ayrshire 'Fair Work' resource to engage key employers (including Anchor Institutions) to ensure they recruit inclusively and provide quality and meaningful work, and to develop practical steps with employers to position Ayrshire as a Fair Work region.

The project will be developed, coordinated and implemented by a pan-Ayrshire CWB Working Group and will be the first regional place-based approach to CWB.

PROJECT THEMES: fair work; local spend; democratic ownership; local assets; inclusive economy; business led inclusive growth.

INCLUSIVE GROWTH BARRIERS TARGETED:

- Intermediate and advanced skills
- Local jobs
- Health
- Soft and basic skills
- Business support (non-financial)
- Business premises
- Sustainable working population
- Structure of economy
- Access to finance

MILESTONES

DELIVERABLE	STATUS	DUE DATE
Development of draft job descriptions/role profiles	Complete	January 2021
Preparation of role profiles	Complete	January/February 2021
OBC approved by Government	Complete	12 February 2021
FBC approved by Joint Committee	Complete	22 February 2021
Recruitment of staff: Programme Manager, CWB Officers, FW Ayrshire Manager		30 April 2021
Finalise documentation for £1 million Fund governance	Complete	30 April 2021
Staff Inductions		31 May 2021
Formal launch of programme		30 June 2021
Monthly Project Working Group meetings		Ongoing
Reporting to PMO, Ayrshire REP & EJC		Ongoing
Quarterly reporting to CWB Commission		Ongoing
Annual Report		31 May 2022/2023/2024
Project end date/final review/final drawdown		31 March 2024

OUTCOMES, OUTPUTS AND TARGETS

OUTCOME	TARGET	DATE
Employers undertaking Fair Work Action Plans	90	31 March 2024
Enterprises receiving support from CWB programme	920	31 March 2024
Enterprises receiving financial assistance	265	31 March 2024
New enterprises supported	96	31 March 2024
Enterprises registering on Public Contracts Scotland	240	31 March 2024
Enterprises supported in creation or transition to employee ownership or cooperative	17	31 March 2024

RISKS AND MITIGATIONS

RISK	MITIGATION
Implementation – end of project 'cliff edge'	<ul style="list-style-type: none"> CWB becomes mainstream approach in region via CWB Commission Lessons learned will inform what can be taken into future service design and external funding bids

Over demand or lack of demand for support	<ul style="list-style-type: none"> • Working Group will review demand across the project as a whole and will address demand issues as they arise • Locality officers to build demand with businesses • Work alongside REP partners to build demand • Consider Ministerial launch event
Slippage/delay in the programme causes additional costs to be incurred	<ul style="list-style-type: none"> • Robust project management structure in place to monitor delivery and associated costs and to address any potential delays • Working group will regularly review performance
Ability to deliver programme at regional level	<ul style="list-style-type: none"> • Proposals reflect lessons learnt from ERDF Business Competitiveness project • Project Co-ordinator factored into programme • Project updates to REP and EJC
Project delays and macroeconomic impact of Covid-19 and recovery	<ul style="list-style-type: none"> • Development of recovery plan will focus on this project as a key component of that agenda across Ayrshire • Early analysis identifies that the need for this project may be greater as a result of Covid-19 • Working group will give priority to minimising delays implementing remote working/online engagement
Failure to deliver anticipated outputs and outcomes	<ul style="list-style-type: none"> • Working Group established and robust project management regime in place to monitor outputs and outcomes and to take remedial action if required • Strong governance – REP, Joint Committee, CWB Commission • Build on successful regional working from ERDF project

PROJECT LEAD: JULIE MCLACHLAN, NORTH AYRSHIRE COUNCIL – JULIEMCLACHLAN@NORTH-AYRSHIRE.GOV.UK

20. BENEFITS REALISATION

The realisation and evaluation of the impact of the Ayrshire Growth Deal is a fundamental requirement of all partners and performance monitoring will focus on measuring that:

- project and programme outputs are delivered on time, on budget and to scope; and
- anticipated outcomes are achieved for Ayrshire.

Project and programme benefits are identified in individual and programme business cases which clearly articulate the relationship between inputs, activities, outputs and outcomes. Benefits realisation logic chains, including this information, for each project are included in the appendices to this document.

Every milestone, output and outcome must be monitored or evaluated if the benefits of individual projects are to be demonstrated.

There will be scope for projects to report additional unintended/unanticipated benefits that arise as a result of the intervention.

While it is the responsibility of the PMO to ensure a consistency across project in relation to how benefits are identified, it will be the responsibility of each partner and project lead to manage, monitor and maximise all benefits identified in business cases.

Partners and project leads will be expected to take action to optimise project benefits through each stage of project delivery and monitoring data will be provided to the PMO in accordance with an agreed reporting schedule to demonstrate the progress of each individual project.

Each partner and project lead will be required to collate project data on a quarterly basis (over financial years). This information will be reported to the CEOs/Directors' Group with summary information being provided to the Ayrshire Regional Economic Partnership Board and Ayrshire Economic Joint Committee.

Monitoring will initially relate to the delivery of project activities and outputs such as amount of land remediated or square metres of industrial space created. As projects advance the focus of monitoring information will shift to cover outcomes as they become more evident and measurable.

To address how the Deal is performing against objectives and delivery plans, a Monitoring and Evaluation Framework and Benefits Realisation Plan will be developed in consultation with both governments, as well as other key stakeholders.

Feeding into the Benefits Realisation Plan will be the targets and outputs that are set for each project and the Community Benefits arising from projects.

Scrutinising and reviewing the delivery of benefits will be the responsibility of the PMO and monitoring data provided by project leads will be scrutinised against the content of approved business cases and the Benefits Realisation Plan. The PMO will be responsible for escalating any issues of non-performance to the CEOs/Directors' Group and the Ayrshire Regional Economic Partnership Board as appropriate.

The central tenet of the Ayrshire Growth Deal is inclusive economic growth and the requirement to evidence that economic impact must be captured in project and programme evaluations.

Evaluation will also be required to demonstrate that projects have delivered on the specific equalities and sustainability benefits outlined in the associated and approved business cases.

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APPENDICES

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Appendix A: Project Interdependencies

Ayrshire Growth Deal Project Name	Spaceport Infrastructure	Enabling Infrastructure - Roads	Commercial Workspace & Infrastructure	Aerospace and Space Innovation Centre (ASIC) inc Visitor/STEM Engagement Hub	i3 Advanced Manufacturing Space & DigiLab	HALO Kilmaronock	Ayrshire Engineering Park (Moorfield)	Ayrshire Manufacturing Investment Corridor (AMIC)	National Energy Research Demonstrator (NERD)	Hunterston PARC (CECE)	Marine Tourism	Industrial Marine Science and Environmental Centre (IMSE)	The Great Harbour, Irvine Harbourside - Ardeer	Digital Subsea Cable	Digital Infrastructure	Working for a Healthy Economy	Ayrshire Skills Investment Fund	Community Wealth Building
Spaceport Infrastructure		3	3	3	1	1	1	1	0	0	0	0	0	2	3	2	2	2
Prestwick Enabling Infrastructure - Roads	3		3	3	0	0	0	0	0	0	1	0	0	1	1	1	1	2
Prestwick Commercial Workspace & Infrastructure	3	3		3	2	1	1	1	1	1	0	0	0	2	3	2	2	2
Aerospace & Space Innovation Centre (ASIC) inc Visitor/STEM Engagement	3	3	3		1	1	1	1	1	1	0	0	0	2	3	3	3	2
i3 Advanced Manufacturing Space & DigiLab	1	0	2	1		1	2	2	1	2	0	0	0	2	3	2	2	2
HALO Kilmaronock	1	0	1	1	1		1	1	1	0	0	0	0	2	2	2	2	2
Ayrshire Engineering Park, Moorfield	1	0	1	1	2	1		2	1	0	0	0	0	2	3	2	2	2
Ayrshire Manufacturing Investment Corridor (AMIC)	1	0	1	1	2	1	2		1	1	0	0	0	2	2	2	2	2
National Energy Research Demonstrator (NERD)	0	0	1	1	1	1	1	1		1	0	1	0	2	3	2	2	2
Hunterston PARC (CECE)	0	0	1	1	2	0	0	1	1		1	2	1	2	3	2	2	2
Marine Tourism	0	1	0	0	0	0	0	0	0	1		2	2	2	2	2	2	2
Industrial Marine Science and Environmental Centre (IMSE)	0	0	0	0	0	0	0	0	1	2	2		1	2	3	2	2	2
The Great Harbour, Irvine Harbourside - Ardeer	0	0	0	0	0	0	0	0	0	1	2	1		2	2	2	2	2
Digital Subsea Cable	2	1	2	2	2	2	2	2	2	2	2	2	2		3	2	2	2
Digital Infrastructure	3	1	3	3	3	2	3	2	3	3	2	3	2	3		2	2	2
Working for a Healthy Economy	2	1	2	3	2	2	2	2	2	2	2	2	2	2	2		3	3
Ayrshire Skills Investment Fund	2	1	2	3	2	2	2	2	2	2	2	2	2	2	2	3		3
Community Wealth Building	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	3	3	
Relationship																		
Primary Relationship (Absolutely Contingent)																		
Secondary Relationship (Strong obvious link)																		
Tertiary Relationship (Weak link)																		
No Relationship																		

Appendix B: Project links with Inclusive Growth Barriers

Ayrshire Growth Deal Project Name	Regional Drivers to Inclusive Growth																
	Intermediate & Advanced Skills	Local Jobs	Health	Basic Digital Skills	Soft & Basic Skills (work-readiness)	Business Support (non-financial)	Childcare	Sustainable Working Population	Structure of Economy (Sectors/Industries)	Advanced Digital Skills/Innovation	Access to Finance	Business Premises	Digital Connectivity	Transport (people to jobs)	Housing	Transport (goods to market)	Inward Investment
Spaceport Infrastructure																	
Aerospace & Space Innovation Centre (ASIC) inc Visitor/STEM Engagement Hub																	
Prestwick Enabling Infrastructure - Roads																	
Prestwick Commercial Workspace & Infrastructure																	
i3 Advanced Manufacturing Space																	
i3 DigiLab																	
Industrial Marine Science and Environmental Centre (IMSE)																	
The Great Harbour, Irvine Harbourside-Ardeer																	
Marine Tourism																	
Hunterston PARC (CECE)																	
HALO Kilmarnock																	
Ayrshire Engineering Park (Moorfield)																	
Ayrshire Manufacturing Investment Corridor (AMIC)																	
National Energy Research Demonstrator (NERD)																	
Digital Subsea Cable																	
Digital Infrastructure																	
Working for a Healthy Economy																	
Ayrshire Skills Investment Fund																	
Community Wealth Building																	
Regional Transport Appraisal																	

Appendix C: Benefits Realisation Logic Chains

Benefits Realisation Logic Chain: Spaceport

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<ul style="list-style-type: none"> • Officer and Development Management capacity • Specialist project teams • Project duration – 4 years • Public sector project funding of £23 million: £18m UKG, £5m SG • Private sector funding of £3 million (not committed) 	<ul style="list-style-type: none"> • Design and build of infrastructure elements of the spaceport including fuel storage, vehicle integration facility, payload processing facility, Mission Control Centre • Consenting process • Consultation with communities of interest in and around the Prestwick Aerospace & Space • Commercial negotiation with launch service providers and launch operations provider • Marketing and PR 	<ul style="list-style-type: none"> • Operational spaceport • Established launch service operator • Two launch service providers based at Prestwick • Physical infrastructure for spaceport including payload processing facility, vehicle integration facility and mission control centre providing a Scottish/UK service. 	<ul style="list-style-type: none"> • Scotland is globally recognised leader for space • Prestwick is recognised as the a Centre of Excellence and hub for launch and in-flight capability for the space sector in Scotland and the UK • 100 High value jobs at Prestwick • 75 Construction jobs • New job opportunities in future industry locating at Prestwick • Increased growth opportunities for local companies 	<ul style="list-style-type: none"> • Increase employment opportunities • Increase in GVA across region • Lever in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth.

Benefits Realisation Logic Chain: Prestwick Commercial Space

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<ul style="list-style-type: none"> • Officer and Development Management capacity • Public sector project funding of £29m: £10m UKG; £12m SG; £7m SAC • Leverage £71.5m • Land <ul style="list-style-type: none"> ○ Scottish Enterprise ownership ○ Airport ownership • Pre-contract professional services 	<ul style="list-style-type: none"> • Site assembly • Design and build • Project management • Contract management • Commercial negotiation • Regulatory consents • Construction and maintenance • Estate management 	<ul style="list-style-type: none"> • 75,671 sqm business space created • Enabling work placements and training places • Creating visible development activity on a highly prominent site 	<ul style="list-style-type: none"> • New employment opportunity • Reduced commercial viability gap High growth, • High value commercial activity • Enhance the attractiveness of Prestwick as a location that meets modern business needs Multiple new investors in the area improves the perception of Ayrshire as an inward investment location • Raising the aspirations of ambitions of Ayrshire's young people Creating supply chain links for Ayrshire businesses • 1,177 direct & indirect jobs • 1,005 construction jobs • £667.14m direct and indirect GVA 	<ul style="list-style-type: none"> • Increase employment opportunities • Increase in GVA across region • Lever in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth.

Benefits Realisation Logic Chain: Prestwick Roads Infrastructure

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>Officer and specialist support</p> <p>Project Duration – 6 years</p> <p>Public sector project funding of £17m: £12m SG; £5m SAC</p>	<p>Investigation and design of roads related infrastructure</p> <p>Consultation with communities of interest in and around the Prestwick Aerospace & Space Campus</p> <p>Project management</p>	<p>Three phases of road developed</p> <p>Length of road created - 3.5km</p>	<p>Opening development opportunity and commercial growth</p>	<ul style="list-style-type: none"> • Increase employment opportunities • Increase in GVA across region • Lever in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth.
<p>Land: A79 Station Road- Main Street / A77 to Tarbolton Road</p>	<p>Site Assembly</p>	<p>Length of road enhanced - 1km</p>	<p>Efficient connected road network</p>	
<ul style="list-style-type: none"> • Scottish Enterprise ownership 	<p>Route Design</p>	<p>Number of roundabouts created (new) - 4</p>	<p>Improved abnormal load capacity</p>	
<ul style="list-style-type: none"> • GPA ownership 	<p>Regulatory consents</p>	<p>Number of roundabouts upgraded (improved) - 3</p>	<p>Relief traffic congestion in Monkton village</p>	
<ul style="list-style-type: none"> • Residential ownership 	<p>Construction & maintenance</p>	<p>Cycle routes created (km) 4.5km</p>	<p>Mitigate road safety risks for Monkton primary</p>	

• SAC ownership	Handover	Cycle routes enhanced – 0		
• Spirit Aerosystems ownership		Pedestrian routes created / enhanced 4.5km		
• Farm Land		No of projects to improve accessibility to aerospace and Space parks - 1		
Pre-contract professional services		No of projects to service new aerospace and Space development land - 1		
Post contract professional services		No of projects to enhance cultural heritage of Monkton Village - 1		
Roads Construction Contractor		No of projects to reduce road safety risk at Monkton Village - 1		
		No of projects to reduce environmental impact from commercial traffic on Monkton Village - 1		
		Qualitative		
		Improved community morale		
		Improved perception of road safety at Monkton Primary School		
		Improved perception of accessibility to aerospace and Space parks		
		Improved perception of the attractiveness of aerospace and Space parks to inward investors		
		Improved perception of the attractiveness of the aerospace parks to incumbent companies		

Benefits Realisation Logic Chain: Aerospace & Space Innovation Centre (ASIC) incorporating Visitor Centre/STEM Hub

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>Officer and specialist support</p> <p>Project duration – 10 years</p> <p>Public sector project funding of £11m: £4m UKG; £1 SG; £6m SAC</p>	Design and development of the ASIC facilities	<ul style="list-style-type: none"> • 4390sqm of build • MRO capacity 	<p>Scotland recognised for its space/ aerospace innovation</p> <p>68 (direct & indirect) net new fte jobs of which 7 from areas of deprivation</p> <p>110 fte construction jobs</p> <p>£27.3m direct & indirect GVA</p>	<ul style="list-style-type: none"> • Increase employment opportunities • Increase in GVA across region • Lever in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth.
Business advisers	Business support to 50 SMEs per annum Commercialisation Engage 100 SMEs in the innovation process per annum	<p>New supply chain development – with 10 SMEs sources contracts from the local cluster</p> <p>Industry 4.0 centre established and utilised by 125 SMEs</p>	GVA as above	
Academic input	<ul style="list-style-type: none"> • Workforce development • STEM outreach activity engaging with 600 people across Ayrshire • Construction 	<p>MRO innovation and skills development facility</p> <p>25 modern apprenticeships, of which 5 from areas of deprivation</p>	<p>Improved skills base in Ayrshire meeting needs of the local employers</p> <p>Increased confidence and ambition of school/College leavers.</p>	
<ul style="list-style-type: none"> • Project management • Finance 	• Design and build	Large demonstration and product adaptable workshop space	Ayrshire is an attractive inward invest location	
<ul style="list-style-type: none"> • Project management • Finance 	• Design and build	Physical infrastructure	New exciting offer to the visitor economy	

Benefits Realisation Logic Chain: Ayrshire Engineering Park (Moorfield Phase 3)

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
£16m of public sector funding: £12m SG; £4m EAC	<ul style="list-style-type: none"> Planning applications submitted 	<ul style="list-style-type: none"> Junctions (New) - One 	<ul style="list-style-type: none"> Land value uplift 	<ul style="list-style-type: none"> Increase employment opportunities Increase in GVA across region Lever in private sector investment
	<ul style="list-style-type: none"> Construction of SUDS/sewerage systems 	<ul style="list-style-type: none"> Total Area of Opportunity Sites (18.3 Ha) 	<ul style="list-style-type: none"> 18.3 Ha land unlocked for development 	
	<ul style="list-style-type: none"> New junctions to open up access to sites 	<ul style="list-style-type: none"> General Industrial (10,576 sq m) 	<ul style="list-style-type: none"> Strengthening key business clusters 	
	<ul style="list-style-type: none"> New Link/access roads developed 	<ul style="list-style-type: none"> Private businesses supported 	<ul style="list-style-type: none"> Increased employment 160 Construction jobs 136 jobs delivered (direct and indirect) 	
	<ul style="list-style-type: none"> Construction of SUDS/sewerage system 	<ul style="list-style-type: none"> Individuals supported into work 	<ul style="list-style-type: none"> £78.9m direct & indirect GVA 	
			<ul style="list-style-type: none"> Enhanced accessibility - employment/ business locations 	
			<ul style="list-style-type: none"> Businesses attracted to the locality 	
			<ul style="list-style-type: none"> Improved market sentiment 	
			<ul style="list-style-type: none"> Increased supply of commercial space 	
			<ul style="list-style-type: none"> Improved business productivity 	
			<ul style="list-style-type: none"> Widening of labour market 	

Benefits Realisation Logic Chain: Ayrshire Manufacturing Investment Corridor (AMIC)

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
£23.5m of funding: £13.5m SG; £10m UKG	<ul style="list-style-type: none"> Planning applications submitted 	<ul style="list-style-type: none"> Junctions (New) 	<ul style="list-style-type: none"> Land value uplift 	<ul style="list-style-type: none"> Increase employment opportunities Increase in GVA across region Lever in private sector investment
	<ul style="list-style-type: none"> Construction of SUDS/sewerage systems 	<ul style="list-style-type: none"> Total Area of Opportunity Sites (TBC) 	<ul style="list-style-type: none"> land unlocked for development 	
	<ul style="list-style-type: none"> New junctions to open up access to sites 	<ul style="list-style-type: none"> Individuals supported into work through apprenticeships created as part of construction 	<ul style="list-style-type: none"> Strengthening key business clusters 	
	<ul style="list-style-type: none"> New link /access roads developed 	<ul style="list-style-type: none"> Business space (10,546 sqm) 	<ul style="list-style-type: none"> Increased employment 235 Construction jobs 138 Direct and Indirect jobs 	
	<ul style="list-style-type: none"> Construction of Innovation Centre for feed and drink centre 	<ul style="list-style-type: none"> Private businesses supported 	<ul style="list-style-type: none"> £68.35m direct & indirect GVA 	
	<ul style="list-style-type: none"> Construction of advanced manufacturing units 		<ul style="list-style-type: none"> Enhanced accessibility - employment/ business locations 	
			<ul style="list-style-type: none"> Businesses attracted to the locality 	
			<ul style="list-style-type: none"> Improved market sentiment 	
			<ul style="list-style-type: none"> Increased supply of commercial space 	
			<ul style="list-style-type: none"> Improved business productivity 	
			<ul style="list-style-type: none"> Enhanced education and training for food and drink sector 	

Benefits Realisation Logic Chain: i3 Flexible Space

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
AGD £15million Scot Govt £11m NAC £5m	<ul style="list-style-type: none"> • Planning applications submitted • Site remediation work • New link/access roads developed • Construction of SUDS/sewerage systems • Improved junctions to enhance access to sites • New junctions to open up access to sites • Construction of flexible business space in phases 	<ul style="list-style-type: none"> • Total Area reclaimed, (re)developed or assembled (20 Ha) as a result of the project • Total Area of Opportunity Sites (20 Ha) • New Industrial & Business Space (9000sq m) • Individuals supported into work • Private businesses supported • Jobs safeguarded • Wide range of employment opportunities • Improved pedestrian linkages • Vacant and Derelict Land brought back into use/removed from SVDL Register (20 ha) • Flexible business space for start-up or needs • Well-connected flexible business space within close proximity to central belt region supply chains and workforce 	<ul style="list-style-type: none"> • Altered perception and market sentiment in regard to Ayrshire's advance manufacturing and digital offer • Improved market sentiment • 20 Ha land unlocked for development • Increased levels of investment, including FDI • Uplift in commercial rental/sales values (£) • Increased supply of commercial space • Strengthening key business clusters • Increased employment and development of skills in local workforce • Increased GVA • Reduced levels of deprivation in local areas • Enhanced accessibility - employment/business locations • Widening of labour market • Improved business productivity • Strengthening key business clusters • Businesses attracted to the locality and increase in inward investment • Reduction in level of vacant and derelict land • 18-35 People from Employability & Skills Programme Accessing Jobs • Sustainable work location with services and amenities to support employees (e.g. child care/creche facility/café/retail) 	<ul style="list-style-type: none"> • Increase employment opportunities • Increase in GVA across region • Lever in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth. • Job market entrants and low skilled workers increasing soft and basic skills through provision of local jobs • Attract skilled workers to the region and support local people entering skilled employment opportunities

Benefits Realisation Logic Chain: Community Renewable Energy project (CoRE) (formerly NERD)

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
£24.5 million: £17m UKG; £7.5m EAC	Planning permission submitted	1,008 sqm of scientific activities and research space	£26.27m direct & indirect GVA 159 Construction jobs Increased levels of investment	<ul style="list-style-type: none"> Increased employment opportunities Increase in GVA across region Lever in private sector investment Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth. Reduce the carbon emissions of the town and the surrounding area Lowering domestic fuel bills for local people Helping to alleviate fuel poverty/ Improved health and wellbeing through active travel/path networks. Contribute to national advancements in low carbon technologies Contribute to national research in low carbon technologies and energy systems. Increase STEM education offer in Ayrshire
	Site Investigation and remediation work (if needed)	625.5 sqm of office space		
	Building of the Centre and Demonstrator House	Cycle routes/ways will be created however it is unknown at this stage how many km will be created.	Increased supply of commercial space	
	New access created to Centre from the main road or local road	Cycle routes/ways will be enhanced however it is unknown at this stage how many km will be enhanced.	Increased employment	
	Potential creation of SUDS	Path routes will be created however it is unknown at this stage how many km will be created.	Strengthening key business clusters/ Improved business productivity	
	Path networks in the area may be created and existing paths may be enhanced	Path routes will be enhanced however it is unknown at this stage how many km will be enhanced.	Increased cycle usage	
	New cycle ways may be created and existing cycle ways enhanced	We would expect 35-40 businesses operating out of the Centre of Excellence over 6-7 year period of the building being operational. These businesses will be a mix of large companies, medium sized companies, start-ups and potentially local enterprises.	Reduced levels of deprivation in local areas	
	New links created with the new Barony Campus (school)	Apprenticeships will be created with the expectation that these will be from Ayrshire.	CO2 savings via modal shift	

	Enhance existing links with Dumfries House		Enhanced accessibility - employment/ business locations	<ul style="list-style-type: none"> • Increase in the number of highly skilled jobs
			Direct local jobs (42) from the maintenance, transport and tourism sectors with around 19 Indirect jobs	
			Widening of labour market	
			There will be at least 10 PhD students studying at the Centre however this could increase as the Centre gains momentum.	
			Businesses attracted to the locality	

Benefits Realisation Logic Chain: Hunterston Strategic Development Area

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>AGD £18m AGD £18m (UK Govt) NAC £0.0m</p> <p>Leverage Funding Circa £200million 2020-2040 (inclusive of £10m SE contribution); with benchmark evidence from current equivalent projects</p> <p>Partnership delivery vehicle.</p>	<ul style="list-style-type: none"> Planning applications submitted Site remediation work Road surface improvements Junction improvements on motorway/major roads New link/access roads developed Construction of SUDS/sewerage systems Drainage system improvement work Implementation of Surface Water Management Plans Improved junctions to enhance access to sites 	<ul style="list-style-type: none"> Junctions (Improved) Total Area reclaimed, (re)developed or assembled (55 Ha) as a result of the project Total Area of Opportunity Sites (55 Ha) Vacant and Derelict Land Brought Back into Use/Removed from SVDL Register (21 Ha) Business & Industrial (15000sq m) Individuals supported into work Jobs safeguarded Individuals increasing skills Private businesses supported 	<ul style="list-style-type: none"> Land value uplift Improved market sentiment 55 Ha land unlocked for development Increased levels of investment, including FDI Uplift in commercial rental/sales values (£) Increased supply of commercial space Strengthening key business clusters and creates a platform for offering repeated inward investment opportunities Increased employment, targeted at provision of a sustainable workforce by providing skilled and local jobs, which support develop soft and basic skills for workforce entrants and attracts skilled employees. Increased GVA Reduced congestion Reduced journey times Improved road safety Increased cycle usage Increased footfall Reduced levels of deprivation in local areas Reduction in commercial property vacancy rates Reduction in level of vacant and derelict land Increased drainage capacity CO2 savings via modal shift Enhanced accessibility - employment/ business locations Enhanced accessibility – services/ community locations Widening of labour market Improved business productivity Strengthening key business clusters Businesses attracted to the locality 4 SMEs supported 23-46 People from Employability & Skills Programme Accessing Jobs Utilises Hunterston's strategic water and rail transport infrastructure to transport goods to the market (e.g. services offshore renewables) 	<ul style="list-style-type: none"> Establish Hunterston as a strategic national asset, with infrastructure to service national transition to zero carbon economy, thereby supporting the restructuring of the national economy Increase employment opportunities Increase in GVA across region Lever in private sector investment Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth. Providing a national clean energy hub which supports the transition to a low carbon, sustainable and health economy

Benefits Realisation Logic Model: International Marine Science & Environmental Centre (IMSE), Ardrossan

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>AGD £10.5m AGD £10.5 (UK Govt) NAC £0.0m</p> <p>Partnership with sector/facility operator and university presence.</p> <p>Development of regional blue economy proposition for Ayrshire.</p>	<ul style="list-style-type: none"> Planning applications submitted Cycle path development or improvement Public realm improvement work Site remediation work Road surface improvements New link/access roads developed Construction of SUDS/sewerage systems Drainage system improvement work Implementation of Surface Water Management Plans Improved junctions to enhance access to sites New junctions to open up access to sites 	<ul style="list-style-type: none"> Total Area reclaimed, (re)developed or assembled (0.6Ha) as a result of the project Total Area of Opportunity Sites (0.6Ha) Vacant and Derelict Land Brought Back into Use/Removed from SVDL Register (0.6Ha) Industrial/Business/office space (6,175sq m) Individuals supported into work Jobs safeguarded Individuals increasing skills Provision of high skilled jobs Private businesses supported Social enterprises supported Social enterprises created Businesses signing up to Scottish Business Pledge per year Provision of nationally leading Centre of Excellence, providing R&D in blue economy advancement 	<ul style="list-style-type: none"> Land value uplift Improved market sentiment Increased levels of investment, including FDI Uplift in commercial rental/sales values (£) Increased supply of commercial space for advance marine science technology that supports inward investment Strengthening key business clusters Increased employment Increased GVA (direct/indirect) £19.39m Improved road safety Increased footfall Reduced levels of deprivation in local areas Reduction in commercial property vacancy rates Reduction in level of vacant and derelict land Increased drainage capacity CO2 savings via modal shift Enhanced accessibility - employment/ business locations Enhanced accessibility – services/ community locations Widening of labour market Improved business productivity Strengthening key business clusters Businesses attracted to the locality 13-24 People from Employability & Skills Programme Accessing Jobs capex + follow-on Construction jobs 105 No new jobs (direct and indirect) 4 SMEs supported That Ayrshire and Ardrossan capitalise on marine assets to be a nationally recognised Centre of Excellence in blue economy sector, supporting aqua science and low carbon transition 	<ul style="list-style-type: none"> To place Ardrossan and Ayrshire as a market leader in marine science advancement in blue economy and low carbon technology and industry That local people benefit from employment opportunities providing a range of advance skills jobs to attract employees to the region, and low skilled opportunities to support local job market entrants develop soft and basic skills That the facility and its location next to marine infrastructure and connectivity to the Ardrossan campus provides sustainable provision of opportunities for local workforce and Increase in GVA across region Lever in private sector investment Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth, and supporting health benefits from advancement of marine science and low carbon technology That local businesses can benefit from R&D facilities and support local supply chains.

Benefit Realisation Logic Chain: The Great Harbour, Irvine Harbourside and Ardeer

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>£14 of funding AGD £9million NAC £ 5 million</p> <p>Leverage Funding Circa £85m- £100, 20202040 (Leverage assumptions based on benchmarking equivalent projects)</p>	<ul style="list-style-type: none"> • Award grant fund through Community Enterprise Fund • Planning applications submitted • Cycle path development or improvement • Develop and improve pedestrian links • New pedestrian/cycle bridges • Public realm improvement work • Site remediation work • Road surface improvements • Junction improvements on motorway/major roads • New link/access roads developed • Construction of SUDS • Drainage system improvement work • Implementation of Surface Water Management Plans • Improved junctions to enhance access to sites • New junctions to open up access to sites • New roundabouts or other traffic management schemes • Business Support 	<ul style="list-style-type: none"> • Public Realm created and Enhanced (length of 1.5km) • Road enhanced (1.5Km) • Junctions (5 Improved) • Cycle Routes created/enhanced (1.5km) • Pedestrian Routes enhanced (1.5km) • 1 Pedestrian/cycle bridges enhanced • 1 (potential) Road Bridge • Total Area reclaimed, (re)developed or assembled /Total Area of Opportunity Sites 6 (Ha) • Vacant and Derelict Land Brought Back into Use/Removed from SVDL Register (6Ha) • Food and Drink (2800 sq m) • Hotels and Hostels (2000 sq m) • Assembly and Leisure/shops (5000sq m) • Individuals supported into work • Jobs safeguarded • Individuals increasing skills • Private businesses supported • Social enterprises supported • Social enterprises created • Increase in visitor numbers • Increase in visitor expenditure • New marina berths created • New tourism events supported 	<ul style="list-style-type: none"> • Land value uplift • Improved market sentiment • land unlocked for development • Increased levels of investment, including FDI • Uplift in commercial rental/sales values (£) • Average house price uplifts • Increased supply of commercial space • Strengthening key business clusters • Increased employment • Increased GVA • Reduced congestion • Improved road safety • Increased cycle usage • Increased footfall • Reduced levels of deprivation in local areas • Reduction in commercial property vacancy rates • Reduction in level of vacant and derelict land • Increased drainage capacity • CO2 savings via modal shift • Enhanced accessibility employment/ business locations • Enhanced accessibility – services/ community locations • Widening of labour market • Improved business productivity • Strengthening key business clusters 	<ul style="list-style-type: none"> • Increase employment opportunities through a supply of local jobs • Improve soft and basic employability programmes by creating employment opportunities that can be capitalised by entrants to the workforce • Embed community wealth building into placemaking approach • Increase visitor numbers • Increase dwell time of visitors • Increase expenditure of visitors • Increase population of Great Harbour by providing a range of housing opportunities that create sense of community, footfall and demand for goods and services • Create diversity in great harbour population demographic • Create a nationally recognised visitor destination • Generate commercial opportunities through place making approach and lever private sector investment • Increase in GVA across region • Improve the health of communities across the region by improving active travel and

Benefit Realisation Logic Chain: Marine Tourism*

*Project team are considering the project scope as a result of a significant increase in costs and likely to go through the change management process within the next few months, with targets, outputs and outcomes likely to change thereafter

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>Capital Funding £9.5m AGD £9.5million NAC £0.0m Leverage Funding £5million Partnership with Marine operator Partnership with Crown Estates Scotland</p>	<ul style="list-style-type: none"> • Planning applications submitted • Marine licences secured • Bascule bridge • Car parking provision • Cycle path development or improvement • Public realm improvement work • Site remediation work • Road surface improvements • New link/access roads developed • Improved junctions to enhance access to sites • Develop Marina berths across programme (350) • Provide marine infrastructure at Arran and Cumbrae 	<p>Marine infrastructure (C350 berths across programme)</p> <ul style="list-style-type: none"> • Bascule bridge • Public Realm created/Enhanced (150000sqm) • Land with reduced flood risk (Ha) • Properties with reduced flood risk • Total Area reclaimed and/or formed as marina infrastructure (re)developed or assembled (3.8 Ha) as a result of the project • Vacant and Derelict Land Brought Back into Use/Removed from SVDL Register (0.1Ha) • Commercial leisure space (1000sq m) – <i>leverage impact, hence not included in finance and phasing</i> • Individuals supported into 	<ul style="list-style-type: none"> • Land value uplift • Improved market sentiment • Increased levels of investment, including FDI • Uplift in commercial rental/sales values (£) • Average house price uplifts • Strengthening key business clusters • Increased employment (30 new construction jobs; 30 new jobs direct/indirect) • Increased GVA (direct/indirect – 25yr NPV) £17m Visitor berth value - £487,000 Resident berth value £2.2m • Reduced congestion • Increased cycle usage • Increased footfall • Reduced levels of deprivation in local areas • Reduction in commercial property vacancy rates 	<p>Increase employment opportunities</p> <ul style="list-style-type: none"> • Leverage in private sector investment • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth. • Create infrastructure at strategic locations around Clyde waters region to support strategic tourism and blue economy aspirations • Leverage private sector investment around development of key facilities • To maximise the growth opportunities in marine tourism sector building on high and sustained spend and GVA growth internationally and in West of Scotland. • To generate new

		<p>work</p> <ul style="list-style-type: none"> • Jobs safeguarded • Individuals increasing skills • Private businesses supported <ul style="list-style-type: none"> • Social enterprises supported • Social enterprises created • Businesses signing up to Scottish Business Pledge per year • Increase in visitor numbers • Increase in visitor expenditure • 100,000 extra visitors comprising primarily boat owners / crew /sailing interests plus day visitors drawn to locations with marine activity and interest (67000day; 33000overnight – per annum) • New tourism events supported 	<ul style="list-style-type: none"> • Reduction in level of vacant and derelict land • CO2 savings via modal shift • Enhanced accessibility - employment/ business locations • Enhanced accessibility – services/ community locations • Widening of labour market • Improved business productivity • Strengthening key business clusters • Businesses attracted to the Locality • 4-8fte employees from employability/skills programmes (based only on capex construction estimate) • 3SMEs supported 	<p>employment, business start-ups and SME/ Micro enterprise opportunity supporting employability and inclusion outcomes.</p>
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Benefits Realisation Logic Chain: Digital Subsea Cable

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
Scottish Futures Trust/Scottish Enterprise	Negotiate investment with private sector	Establishment of a Cable Landing Station (CLS) in Ayrshire	Ayrshire investment ready and demonstrable links to EU/EEA/USA from Scotland/Ayrshire	Ayrshire a world-class digitally connected region
	Secure investment both public and private sector	CLS in Scotland	Provision of high-performance, high-bandwidth connectivity Scotland/rUK	Resilience for the UK as a whole
	Negotiate wider opportunities for datacentre providers to enter Scottish/Ayrshire market off the back of the Cable Landing Station (CLS)	Datacentre development/associated industries in the Ayrshire region	Retention/attraction of highly skilled data-focussed employees in the region and development of clusters of hi-tech activity.	New employment and investment opportunities in the region fully supported by underlying infrastructure
SFT/Local Authorities & Ayrshire Regional Partnership	Secure one or more anchor tenants at the landing point	Investment opportunities	New industries attracted i.e. datacentres, civtech, biotech, gaming etc. and underpin the success of the AGD programme	Economic growth and employment opportunities
Local Authorities & Ayrshire Regional Partnership	Business support to expand opportunities to supply chain	Growth in supply chain to new industries	Opportunities to expand and job creation	Future sustainability
Outcomes & Targets				
SFT/Local Authorities & Ayrshire Regional Partnership	Subsea Fibre Optic Cable established	1	1	
SFT/Local Authorities & Ayrshire Regional Partnership		Digital infrastructure		Increased GVA by 2030
SFT/Local Authorities & Ayrshire Regional Partnership	Onshore infrastructure Created	3	3	Established between 2023 to 2025
Public Sector and Private Sector Partners	Increase in jobs	424	424	Increased job opportunities by 2030 (based on Deloitte report commissioned by SFT)
Public sector funding: Costs - £11m UKG				Ayrshire a world-class digitally connected region

Benefits Realisation Logic Chain: Digital Infrastructure

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
Scottish Futures Trust/Scottish Enterprise	Completion of 4g Infill	Complete 4g coverage for rural Ayrshire	Ayrshire investment ready and demonstrable links to EU/EEA/USA from Scotland/Ayrshire	Ayrshire a world-class digitally connected region
	Secure investment both public and private sector	CLS in Scotland	Provision of high-performance, high-bandwidth connectivity Scotland/rUK	Resilience for the UK as a whole
	Negotiate wider opportunities for datacentre providers to enter Scottish/Ayrshire market off the back of the Cable Landing Station (CLS)	Datacentre development/associated industries in the Ayrshire region	Retention/attraction of highly skilled data-focussed employees in the region and development of clusters of hi-tech activity.	New employment and investment opportunities in the region fully supported by underlying infrastructure
SFT/Local Authorities & Ayrshire Regional Partnership	Secure one or more anchor tenants at the landing point	Investment opportunities	New industries attracted i.e. datacentres, civtech, biotech, gaming etc. and underpin the success of the AGD programme	Economic growth and employment opportunities
Local Authorities & Ayrshire Regional Partnership	Business support to expand opportunities to supply chain	Growth in supply chain to new industries	Opportunities to expand and job creation	Future sustainability
Outcomes & Targets				
SFT/Local Authorities & Ayrshire Regional Partnership	Key sites upgraded	7	7	Key sites upgraded with superfast digital infrastructure
SFT/Local Authorities & Ayrshire Regional Partnership	Centres of excellence	7	7	Centres of digital excellence established
SFT/Local Authorities & Ayrshire Regional Partnership	Agricultural sector switched on to SMART technology			Introduction of SMART industries into Rural Ayrshire
SFT/Local Authorities & Ayrshire Regional Partnership		Digital infrastructure	GVA	Increased GVA by 2030
SFT/Local Authorities & Ayrshire Regional Partnership	4G infill			Ayrshire rural communities digitally enabled.
Project Costs - £3m				Ayrshire a world-class digitally connected region

Benefit Realisation Logic Chain: Working for a Healthy Economy

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>Working for a Healthy Economy</p> <p>Procured service to support 1500 people a year (800 unemployed, 700 unemployed)</p> <p>Project Duration: 6 years</p> <p>AGD: £5,000,000</p> <p>All 3 authorities and partners will continue to fund surrounding employability and business support services which will support the proposals.</p>	<p>Establish a one stop health support service across Ayrshire to maximise employment and job retention.</p> <p>Although every client journey will be individual, all referrals will receive support within the following framework:</p> <ul style="list-style-type: none"> • Registration and Triage • Assessment • Full Case Management • Explore and Report • In Work Support 	<p>960 clients – Assessment & Report Only 1600 clients – Full Case Management Support via Telephone 3839 clients – Full Case Management Support delivered Face to Face 3809 (70%) of clients engaging in Full Case Management support are likely to access a funded treatment e.g. Talking Therapies, Physiotherapy etc. 2400 clients will receive support via Group Work 960 individuals will receive Mental Health First Aid Training</p> <p>Marketing will be targeted at 5,172 individuals (53%) being unemployed at the point of referral with the aim of 25% going back to work.</p> <p>The remaining 4,586 will receive support to return to or remain in employment / self-employment with the aim of 85% of clients sustaining.</p>	<ul style="list-style-type: none"> • Improved health and management of health conditions of individuals • Reduced levels of unemployment and corresponding increases in income levels. • Improved retention and progression in work and corresponding increases in income levels. • Reduced absenteeism and improved retention of staff, increasing productivity of business. • Improved uptake of training/learning opportunities through reducing health as a barrier • Improved awareness and education of employers around health and benefits of supporting employees. 	<ul style="list-style-type: none"> • To reduce poor health as a constraint on economic growth.

Benefit Realisation Logic Chain: Ayrshire Skills Investment Fund

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities)	Programme Objective
<p>Ayrshire Skills Investment Fund</p> <p>AGD - £3.5M (SG)</p> <p>£3M available as grant awards through the fund.</p> <p>Fund management supported by 1 x G12 Skills Manager post at circ £460k</p> <p>£40k resources available for Skills Board to commission additional research.</p> <p>Project Duration: 6 years</p> <p>All 3 authorities and partners will continue to fund surrounding employability and business support services which will support the proposals.</p>	<p>Establish a Regional Skills Board made up of national and regional experts.</p> <p>Board would issue guidance to partners on what the evidence means for Ayrshire and would provide guidance on priorities.</p> <p>Board would seek funding proposals which fit with the priority themes.</p> <p>The board would assess and make decisions on what activity is funded.</p> <p>Funded proposals will either support unemployed residents to access learning/training appropriate to local opportunities or would support employed residents to develop their skills, be more productive and secure better employment.</p> <p>The board would monitor progress of the funded projects.</p>	<p>500 unemployed people accessing new learning/training opportunities</p> <p>500 low paid employed accessing learning opportunities</p> <p>100 redundant workers accessing new learning/training opportunities (sub-set of above)</p> <p>300 businesses benefitting from upskilled workers</p> <p>10 large inward investors supported with their skills needs</p>	<ul style="list-style-type: none"> • Reduction in unemployment • Reduction in numbers earning below living wage • Increase in qualification/skill levels • More diverse workforces • Improved productivity for business 	<ul style="list-style-type: none"> • To reduce skills issues as the major constraint to Inclusive Growth in Ayrshire • Increase employment opportunities • Spread the benefits of economic growth across region, ensuring deprived areas benefit from this growth.

Benefits Realisation Logic Chain: Community Wealth Building (CWB) – Business Locality Officers

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities) (IG barriers targeted as per Exec Summary Ayrshire IG Diagnostic)	Programme Objective
<p>CWB Business Locality Officers</p> <p>Resource: 3xG10 officers in each LA = 9 CWB locality officers across Ayrshire £1,365,450</p> <p>Project Duration: 3 years</p> <p>CWB Fund</p> <p>Resource: £1,000,000</p> <p>Project Duration: 3 years</p>	<ul style="list-style-type: none"> Place-based approach to CWB, working in localities to facilitate CWB thinking across public, private, and social economy on procurement, employment, assets and ownership, linking with existing local service delivery. Looking at anchors (inc private sector) supply chains opportunities, supplier development, linking to employability pipelines, promote Fair Work and refer to Fair Work project, explore how to maximise assets including within town centres. Includes focus on AGD sites and end users. Producing locality CWB Action Plan and promote business-led inclusive growth. Sharing of best practice throughout the region, with measure of activity and programme reports being shared at a locality, local and regional level. <p>Specific activities across the pillars: <u>PROCUREMENT</u></p>	<ul style="list-style-type: none"> CWB Locality Baseline and Action Plan per Ayrshire locality = 15 CWB place-bases action plans 920 Unique Enterprises receiving support from the CWB programme 265 Enterprises receiving financial assistance: Grant/ Consultancy support (on procurement, employment, asset or ownership pillars) 96 New enterprises supported (<12 months old) <p>Outputs per pillar:</p> <p><u>PROCUREMENT</u></p> <ul style="list-style-type: none"> 240 businesses registered on PCS 	<ul style="list-style-type: none"> More diverse and resilient business base A vibrant social economy Improved attractiveness of local places Skills development and fairer labour market Economic opportunities spread more widely across the region <p>➤ Local Jobs ➤ Soft & Basic Skills ➤ Intermediate & Advanced Skills</p>	<ul style="list-style-type: none"> To develop an Ayrshire approach to Community Wealth Building that enhances wealth, ensures fair and meaningful work, and creates successful places throughout the region.

	<ul style="list-style-type: none"> • Develop locality support mechanisms for business to enhance procurement readiness including workshops (one to many), one to one surgeries • Understand locality supply chain capacity • Engage with anchor / larger businesses to understand spend profile / develop local supply chains • Prepare local businesses for the AGD procurement opportunities as per a potential AGD 'wave plan' and profiling • Work with local businesses and wider community to develop community benefit requests • Develop new initiatives on procurement activity to deepen local spend e.g. Trusted Trader, single awards, locality growth partnering • Increase numbers on PCS and develop skills <p><u>EMPLOYMENT</u></p> <ul style="list-style-type: none"> • Support business engagement on developing fair work activity and enhance awareness and understanding of principles of fair work, for example promoting the living wage • Refer to Fair Work Ayrshire programme • Work with those not eligible for Fair Work Ayrshire programme to develop knowledge and to implement practical fair work steps • Link employers to employability pipelines and skills development programmes 	<ul style="list-style-type: none"> • 265 businesses attending 1 to many procurement awareness-raising/capacity building workshops • 90 businesses accessing 1-to-1 procurement specialist help (consultancy) <p><u>EMPLOYMENT</u></p> <ul style="list-style-type: none"> • 240 businesses attending 1 to many 'fair work' related awareness-raising / capacity-building workshops held • 300 businesses referred to FW Ayrshire programme <p><u>ASSETS</u> (No quantitative measures at this stage - activity = building on current incubation facilities explore if similar approaches can be rolled out into a locality, promote assets in council ownership for asset transfer and support community groups/social enterprises in the creation of sustainable proposals)</p> <p><u>OWNERSHIP</u></p> <ul style="list-style-type: none"> • Support the creation or transition of 17 businesses 	<ul style="list-style-type: none"> ➤ <i>Business Support</i> ➤ <i>Structure of Economy</i> ➤ <i>Business Premises</i> ➤ <i>Access to Finance</i> 	
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	<p><u>ASSETS</u></p> <ul style="list-style-type: none"> • Baseline assets, ownership and identify potential opportunities • Work with stakeholders including owners to develop locality asset uses • Support business (private sector, social, community enterprise) to identify assets and bring back into use <p><u>OWNERSHIP</u></p> <ul style="list-style-type: none"> • Stimulate social entrepreneurship including workshops (one to many), one to one surgeries • Baseline locality social, family owned and, employee-owned, Co-op enterprises • Develop locality-based initiatives to support Social Enterprise, employee-owned, and Co-ops • Normalise Social Enterprise / employee-owned, Co-operative models in all start up conversations • Upskill advisers to understand the social economy • Promote understanding of and opportunities for employee ownership 	<p>to employee ownership or cooperative</p> <ul style="list-style-type: none"> • 270 businesses attending 1 to many plural ownership related aware-ness raising/capacity building workshops • 90 businesses accessing 1 to 1 plural ownership specialist support (consultancy) 		
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Benefits Realisation Logic Chain: Community Wealth Building (CWB) – Fair Work Ayrshire

Project Inputs (resources)	Project Activities (what you do)	Project Outputs (what is produced)	Project Outcomes (change expected as result of outputs/activities) (<i>IG barriers targeted as per Exec Summary Ayrshire IG Diagnostic</i>)	Programme Objective
Fair Work Ayrshire Resource: 3xFW Ayrshire officers £437,270 Project Duration: 3 years	<ul style="list-style-type: none"> A dedicated Ayrshire 'Fair Work' resource to engage key employers (regionally significant businesses, 50+ employees) to ensure they recruit inclusively and provide quality and meaningful work. Targeted support to employers in Ayrshire (including anchor institutions), who have expressed a desire to access support to recruit differently and to provide Fair Work. These employers would benefit from: A Fair Work Audit – How inclusive is their current workforce? What issues are there with progression and retention? How could they improve that? What do they need from external agencies to help? Drive recruitment from excluded groups – working alongside 	<ul style="list-style-type: none"> 90 companies undertaking FW Ayrshire programme (45 per officer x 2, 10 per manager, 10% optimum bias) 90 FW health checks/audits 90 FW action plans <p>Further quantitative outputs:</p> <ul style="list-style-type: none"> ¼ would do living wage accreditation (22 companies/organisations) ¼ would become disability confident employers (22 companies/organisations) 1/5 of businesses who get involved with apprenticeships, foundation apprenticeships, graduate apprenticeships for first time (19 companies/organisations) 1/5 would sign Scottish business pledge (18 companies/organisations) 	<ul style="list-style-type: none"> Diverse and inclusive workforce Jobs are fulfilling and secure Increased financial security for employees Improved wellbeing for employees Increased opportunities and reducing barriers for excluded groups: those with health issues/disabled, those in in work poverty, females, young people Ensuring local people and those from disadvantaged areas have access to economic opportunities Skills development through enhanced opportunities for progression and upskilling Support Scotland to become a Fair Work Nation by 2025 Improved productivity and innovation for companies/organisations Local and regional anchors enhancing their social impact <ul style="list-style-type: none"> ➤ <i>Local Jobs</i> ➤ <i>Soft & Basic Skills</i> ➤ <i>Intermediate & Advanced Skills</i> ➤ <i>Health</i> ➤ <i>Business Support</i> ➤ <i>Sustainable Working Population</i> 	<ul style="list-style-type: none"> To develop an Ayrshire approach to Community Wealth Building that enhances wealth, ensures fair and meaningful work, and creates successful places throughout the region.

	<p>existing employability pipeline and initiatives in the region and the Regional Skills and Inclusion Programme.</p> <ul style="list-style-type: none"> • Help to develop 'Fair Work' policies and practice. • Practical support to link to local social enterprises/volunteering schemes. • Monitor progress towards action plan. • Position Ayrshire as a Fair Work region – facilitate workshops to promote and learn best practice, ensuring learning from the Fair Work Convention and SG Fair Work Benchmarking Tool. 			
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APPENDIX 3

Benefits Realisation Plans – Guidance for Regional Partnerships

SCOTTISH CITY REGION AND REGIONAL GROWTH DEALS

BENEFITS REALISATION PLANS

GUIDANCE FOR REGIONAL PARTNERSHIPS

1. Introduction

- 1.1 City Region and Growth Deals are long term, strategic investment programmes that aim to accelerate inclusive economic growth and increase relative equity within regions. This is achieved through the delivery of individual projects and programmes¹, typically over a 10 to 20 year period, that are collectively bound together by unifying regional strategies.
- 1.2 Each regional partnership is required, as a condition of grant², to develop a Benefits Realisation Plan (BRP). This informal guidance note sets out the principles of BRP development in the Deals context. It is not intended to act as an exhaustive list of requirements, nor does it supersede the [Magenta Book](#), government's standard guidance on evaluation. Rather, it raises issues and poses questions that regional partners may wish to consider as they develop a BRP most appropriate to their own local circumstances.

2. Purpose and principles of Deal Benefits Realisation Plans

- 2.1 The primary objectives of City Region and Growth Deal BRPs are to:
 - Demonstrate - for the benefit of local, regional and national stakeholders - the outputs, outcomes, and impacts realised as a result of Deal investments in projects;
 - Identify, collate, and explain the collective benefits of the Deal as a whole, which may be wider than individual project outputs, outcomes, and impacts;
 - Provide accountability for both government and partner investment;
 - Enhance the operational effectiveness of existing projects; and
 - Improve potential future initiatives through the capture, dissemination, and application of learning.

¹ Henceforth the term 'projects' is used as shorthand to refer to projects and programmes within Deals.

² The requirement to develop a BRP is set out in annual Grant Offer Letters issued to all Deals in delivery.

- 2.2 Government recognises that Deals are diverse and designed to respond to the unique challenges and opportunities facing each region's economy. However, the following principles should underpin the approach to BRP development for all Deals.
- All monitoring and evaluation activity should be proportionate to utility, spend, and risk. Large, novel, and/or contentious projects - as well as those for which the most significant outputs and outcomes are not quantifiable - are most likely to benefit from detailed evaluation.
 - If regional partners are unsure as to what may constitute a proportionate approach, they should first develop options – including associated advantages, disadvantages, and costs – before discussing with government.
 - Existing datasets should be used wherever possible, in order to drive maximise efficiency in reporting and minimise the associated burden on project owners. The requirement for any new data collection should ideally be identified at the outset of Deal delivery, and be driven by a clear need to enhance or update information already available.
 - Accountabilities and responsibilities for each aspect of BRP development and delivery should be defined. That is, for each action (e.g. data collection, evaluation design and delivery, etc.) it should be clear who will undertake it and when, as well as how it will be reported.
 - Common definitions and reporting cycles should be established across all projects as far as practicable, to ensure Deal-level reporting is as robust and consistent as possible. For example, it is important to ensure all projects are using the same definitions of key metrics such as jobs created, matched and leveraged funding, etc. Government also strongly supports cooperation and coordination between regional Programme Management Offices wherever possible, in order to aid Scotland-wide analysis.
 - Government recognises that Deals are long term investments and that evaluations cannot usefully be conducted until sufficient progress has been made on delivery. However, it is important to articulate a robust and holistic approach to evaluation at the outset, in order to ensure appropriate baseline information is captured at both the project and Deal level.
- 2.3 It is the responsibility of regional partners to meet any costs associated with BRP development and delivery, including project and programme evaluation. In addition, government reserves the right to request further, independent evaluation of Deal progress as appropriate, with any associated costs to be met by regional partners.
- 2.4 Government recognises that BRPs will evolve over time as projects develop and the detailed outputs, outcomes, and impacts of each become clear. However, regional partners should agree their overarching strategy for benefits realisation – particularly any standardisation of metrics, and approach to baselining – as soon as possible, and ideally before any projects enter delivery. This will help ensure consistency and clarity is built into the process for all project owners from the outset.

3. Content and structure

3.1 It is for regional partners to determine the overall structure of their BRP. However, as a minimum government expects the following information to be captured:

- Deal overview, including key inputs, outputs, outcomes and impacts;
- Target audiences;
- Programme-level theory of change (logic model), demonstrating the expected causal relationship between inputs, outputs, outcomes, and impacts;
- Approach to measurement, evaluation, and baselining; and
- Governance and oversight arrangements.

3.2 Each of these areas is discussed in more detail below.

Deal overview

3.3 A short summary of the Deal should be provided, including key themes and investment priorities. It may be helpful to provide a breakdown of government and regional partner funding commitments by theme/project as appropriate.

3.4 This section should also clearly summarise key Deal-level commitments as described in Heads of Terms/Full Deal documentation. This will vary considerably between Deals but may include:

- Number of jobs to be created/protected;
 - Evidenced contributions to inclusive growth and/or sustainability (e.g. carbon reduction);
 - Cultural participation;
 - Regional economic impact; and
 - Wider impacts (e.g. on place making, regional partnership working, etc).
- For the purposes of the Scottish Government in particular it would also be helpful to describe, in narrative or tabular form, how the Deal contributes to the overarching objectives of the National Performance Framework, for example on improving equality and eliminating discrimination, and meeting any targets relating to the reduction of greenhouse gas emissions.

Target audiences

3.5 The development of BRPs should be shaped by the likely needs and requirements of the target audience(s). Regional partners should therefore consider the following questions:

- Who is likely to be interested in the BRP and its findings?
- How have they been involved in its development?
- How will they be kept informed of progress?

Theory of change

- 3.6 The theory of change³ for each individual project within a given Deal is captured in the associated business case.
- 3.7 For the purposes of the BRP, a theory of change for the Deal as a whole should be developed. This should summarise how key inputs, activities, and outputs will enable regional partners to meet their commitments to outcomes and impacts, as set out in Heads of Terms/Full Deal documentation.

Approach to measurement, evaluation, and baselining

- 3.8 The theory of change should establish the assumed causal relationships between the Deal's inputs, outputs, outcomes, and impacts. In order to demonstrate this theory is delivering in practice, regional partners should consider the following questions:
- What information is required from each project owner to demonstrate Deal-level outputs, outcomes, and impacts are being delivered?
 - How will the necessary information be gathered and analysed? Are standard forms required?
 - What will be monitored, and what will be evaluated?
 - Which evaluation techniques are most appropriate in which circumstances?
 - What arrangements are in place to ensure appropriate baseline information is captured prior to commencing project delivery?

Governance and oversight arrangements

- 3.9 It is essential to be clear from the outset who is responsible for developing and overseeing implementation of the BRP, and how progress will be reported to identified target audiences. Key questions to consider include:
- Who is responsible for writing the BRP itself?
 - How often will it be updated, and by whom?
 - How will it interact with the Deal's existing governance structures? Will a new group/board be created to drive progress, or will responsibility fall to an existing forum?
 - How will monitoring and evaluation activity be resourced by project owners and/or the partnership as a whole?

³ Further information on how to develop an effective theory of change can be found in the [Magenta Book](#) (Chapter 2).

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