

**AYRSHIRE ECONOMIC PARTNERSHIP**  
**BOARD MEETING – 7 SEPTEMBER 2023**  
**REPORT BY HEAD OF ECONOMIC GROWTH**  
**EAST AYRSHIRE COUNCIL**

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**SUBJECT: AYRSHIRE GROWTH DEAL - PROGRAMME UPDATE**

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**PURPOSE OF REPORT**

1. To advise the Economic Partnership Board members of the progress of the Ayrshire Growth Deal and the development of its component projects as at 25 August 2023 (Appendix 1).

**RECOMMENDATIONS**

2. Agree the content of the report and recommend approval to the AEJC to note:
  - (i) The updates provided in the attached report;
  - (ii) The progress across the Ayrshire Growth Deal Programme.
  - (iii) Note actions to address anticipated slippage of business case milestones and risk to financial drawdown;

**BACKGROUND**

3. This report is an update on the progress made on the Ayrshire Growth Deal (AGD). It has been prepared in line with the agreed governance structure and its commitment to monitoring and reporting progress across all parts of the Deal's programme on regular basis.
4. A summary of the current status of the programme priorities and the development work associated with individual projects is contained within the progress report attached to this covering report. The report covers progress up to 25 August 2023. The previous update was reported to the Ayrshire Economic Partnership Board (AEPB), on 15 May 2023, and included progress up to the 28 April 2023. (Please see Appendix 1).
5. Please note that the reporting period does not fully align with the financial year's quarters and includes progress made in part Q1 and part Q2. To address this mismatch in timings the PMO is in discussions with the secretariat for the AEPB and Ayrshire Economic Joint Committee (AEJC) in order to improve alignment of the reporting to members.
6. The report considers the progress made on the Deal at both a programme and project level. This includes an update on the Red/Amber/Green (RAG) status in regards to meeting milestone timelines, scope, budget and overall progress. Supporting narrative

is provided where necessary. (Please see Programme and Project Introductions – Appendix 1).

## MAIN REPORT

7. The overall status for the programme is still assigned at ‘red’. This is due to continued challenges of meeting the original aspirations of projects within a fixed budget against the continued climate of increasing costs. These challenges are reflected in the attached summary update and the Programme Risk Register (which is considered in detail elsewhere on the agenda). The impact is that there are pressures upon the programme and project objectives being met within the existing budget, which is having consequential affect upon business case development, the ability to project accurate future spend, and the failure to drawdown funds in accordance with the relevant Grant Offer Letter. To address these concerns the following actions are underway.

## KEY POINTS

### Programme level

8. The latest financial Bi-annual report (August 2023) is being completed and submitted to the Governments. This report is a Government requirement and provides a spend projection for the programme and individual projects. In comparing the now protected spend for this financial year (2023/24) against the Grant Offer Letter 2023/24, it is noted that a significant drop is expected in potential drawdown for this financial year in regards to capital projects. No change is expected for revenue projects. Please see tables below:

Capital Projects	Grant Offer Letter 23/24 (£m)	Bi-annual return August 23 (£m)	Differences (£m)
Spaceport	2.855	4.567	+1.712
Commercial Space	17.689	5.696	-11.993
I3 Flexi Space	2.339	0.950	-1.389
CoRE	0.300	0.300	0
<b>TOTAL</b>	<b>23.184</b>	<b>11.513</b>	<b>-11.671</b>

Revenue Projects	Grant Offer Letter 23/24	Bi-annual return August 23	Differences
Working for Healthy Economy	0.703	0.703	0
Ayrshire Skills Investment Fund	0.850	0.850	0
Community Wealth Building	1.073	1.073	0
<b>TOTAL</b>	<b>2.626</b>	<b>2.626</b>	<b>0</b>

9. As a total the Programme is expected to drawdown £14.139m as oppose to £25.81m, a potential drop of £11.671m. Further details of the current financial position is set out in paragraphs 24-27.

10. The PMO is working with the SRO's and project leads in addressing the changes in expected spend profile and to ensure future projections are accurate. This includes consideration of the programme as a whole and its ability to deliver the original aspirations. However it should be noted that the current spend projection for the Ayrshire Skills Investment Fund is unlikely to be reached by the end of March 24. This is due to the delay in the final endorsement of the project by the Government, which was received on 25 August 2023. Further details on key projects including those under review are detailed in paragraphs 12 - 19.
11. In addition the PMO are exploring ways to enhance the effective management of projects within the context of the AGD governance. In response the PMO is drafting a series of Supplementary Advice Notes in relation to the change management process; development and management of Full Business Cases; and the interpretation of the new Subsidy Control requirements. Drafts of the Notes will be consulted upon by the SRO and project leads and in turn will be presented to the AEPB and AEJC.

### **Project level**

12. Project leads continue to meeting the challenges of developing and delivering projects. This is partly reflected in the changes in the spend projections for this financial year and the meeting of milestones included in the attached summary sheets (e.g. business case approvals). Below is a summary of the projects that are now 'red' in status from the perspective of budget, scope and overall position.

<b>Budgetary Issues - 'Red' status</b>	<b>Scope Issues - 'Red' status</b>	<b>Overall - 'Red' Status</b>
Spaceport	Roads	ASTAC
Commercial Space	Digital	Spaceport
Roads		Roads
Marine Tourism		Digital

13. Key projects are now being reviewed in order to de-risk delivery and ensure projects meet their objectives. The attached summary provides details of progress being made, with the highlights focusing on projects in **Overall** 'red' status as follows:
14. **ASTAC** – a review of the project is underway via a recently established working group. This includes regional partners such Ayrshire College. Initial indications on reviewing the scope of the project will focus on skills/resources and the delivering of training by Innovation.
15. **Spaceport** – extensive review of the project has been undertaken in order to confirm expected costs. The outcome has been the identification of a funding gap principally to meet land acquisition and additional build costs. Discussions are underway between SAC and Scottish Enterprise to work together to help address the funding gap and

develop a FBC. An update is provided elsewhere on the agenda.

16. **Roads** – SAC/ARA are working with Transport Scotland in order to address the scope of the STAG. In addition the phases of the project are being considered in relation to the development of the other Prestwick AGD projects and wider regenerative needs.
17. **Digital Programme** – further extensive work on the refining of options for the future of the digital programme have been underway. This includes the identification of two options which still seek to provide a digital offer. Further details are provided elsewhere on the agenda.
18. Other highlights include:
  - **Ayrshire Skills Investment Fund** – The draft FBC, as approved by the AEJC on 7 August 2023, has now been endorsed by the Government. Now endorsed this brings the total number of projects with approved FBC up to 6 out of a programme of 19 projects.
  - **Commercial Space** – Scottish Enterprise (SE) have advised that delays are expected in the start of ground works for the Mangata (Opportunity A) project. This is due to the need to confirm private sector funding to support the development. Due diligence is being followed by SE and that a revised business plan is expected by the end of September. On site works is now expected to start in January 2024.
  - **Marine Tourism** – increased costs has had an impact upon the development of this programme of projects, hence its 'red' budgetary status. As a result the scope and expected outcomes of the projects are being reviewed in order to confirm deliverability of the programme.
  - **AMIC/Moorfield** – following extensive review of both projects and the insurmountable challenge of achieving access from the Bellfield junction, Kilmarnock, the co-location of both projects at Moorfield has provided an opportunity to utilize economies of scale. This is being reflected in the potential to coordinate delivery of both projects. Details of this approach have been initially shared with the Governments, which has activated the AGD Change process.
  - **Community Wealth Building** – as previously reported consultants have now been appointed to undertake a mid-term review of the project. Any recommendations identified that are considered substantial will be required to follow the change management process and be reported to the AEPB and AEJC.
19. Projects in delivery are; Community Wealth Building, Working for Healthy Economy, Commercial Space, i3 Flexi Space (Phase 1) and i3 DPMC (Phase 1), with Ayrshire Skills Investment Fund to be in delivery in the coming weeks.

#### **COMMUNICATION UPDATE**

20. This report does not include an updated detail on Q2 communication and engagement activity for all projects in the programme. This is due Q2 as a period not ending until the end of Sept. A report capturing these activities will be provided at the next AEPB.

## IMPLICATIONS

21. Eight implications have been considered in the preparation of this report.

Implications	Yes	No	Paragraph number in report
1. Policy/Strategic Planning		No	
2. Governance/Legal	Yes		Para 22
3. Human Resources		No	
4. Equality and Fairer Scotland Duty	Yes		Para 23
5. Financial	Yes		Para 24-27
6. Risk	Yes		Para 28-29
7. Community Wealth Building		No	
8. Net Zero		No	

## LEGAL IMPLICAITONS

22. The legal implications arising from this report are covered through the Agreement between Ayrshire's councils and the Governance Document which was revised and approved at the Joint Committee meeting on 8 December 2022.

## EQUALITY IMPACT ASSESSMENT

23. 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.

## FINANCIAL IMPLICATIONS

24. The financial implications arising from this report are covered through the Financial Plan approved at the Joint Committee meeting on 26 June 2023. The overall cumulative total of Grant claimed for the Deal to date is £10.880m.
25. The eighth claim since Deal signing (in the financial year 23/24 Qtr1) has been made to the Scottish Government for c.£295,392 which is made up of expenditure associated with the Community Wealth Building, Working for a Healthy Economy and i3 flexible Space. All claims made to date have been processed by Government and payment received. The financial position statement for April 2023 within the progress report reflects the claims, as well as Grant claimed to date (Appendix 1).
26. At the time of preparing this paper the forecast drawdown reported to Scottish

Government for P12 2023/24 amounts to £14.140 million, an anticipated decrease of £11.671 million for the year compared to a budget of £25.810 million. Projects are, however, demonstrating commitment and incurring costs developing projects, with evidence of £9.080 million having been spent by councils to date ahead of project business cases being approved. Once approval of the relevant business cases has been received from government and the Joint Committee, the relevant costs will be claimed back from government.

27. Please note all capital and revenue project costs are being monitored and discussed with regional partners, UK and Scottish governments.

## **RISK IMPLICATIONS**

28. Strategic and operational risk registers continue to be developed, reviewed and updated for the AGD Programme. This is being undertaken by the PMO with the support of EAC audit. The Programme Risk Register has been updated in accordance with the commitment to be reviewed every quarter as approved by the AEJC on 26 June 2023. Details of the latest update is considered elsewhere on the agenda.
29. In addition the risk registers for each project which are updated on a monthly basis and reflected in the attached summary update (Please see Appendix 1).

## **APPENDICES**

Appendix 1: Ayrshire Growth Deal Update of Programme and Projects

### **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

### **Members requiring further information should contact:**

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[graham.saunders@east-ayrshire.gov.uk](mailto:graham.saunders@east-ayrshire.gov.uk)

### **Implementation Officer:**

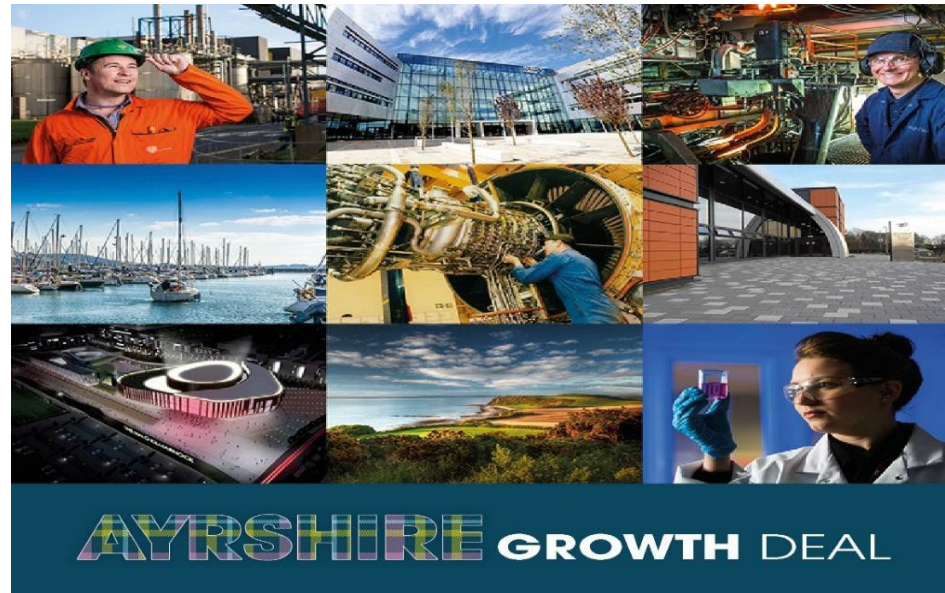
Graham Saunders, Ayrshire Growth Deal – Strategic Manager  
[graham.saunders@east-ayrshire.gov.uk](mailto:graham.saunders@east-ayrshire.gov.uk)

## **Appendix 1**

### **Ayrshire Growth Deal Update of Programme and Projects**

# AYRSHIRE GROWTH DEAL

## Monthly Report - 25 August 2023



Scottish Government  
Riaghaltas na h-Alba  
gov.scot

**AYRSHIRE**  
**GROWTH DEAL**



## Programme Updates - Guidance (Milestones)



RAG Status	Programme Milestone Timeline Status	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

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

## Programme Updates - Guidance (Risks)

This table illustrates the conversion of AGD RAG Status to Scottish Government RAG Status

Source	GREEN	AMBER		RED	N/A
Ayrshire Growth Deal RAG Guidance Note	with an AGD risk register score of between 0-3	with an AGD risk register score of between 4-9	with an AGD risk register score of between 10-14	with an AGD risk register score of between 15-25	N/A
Source	GREEN	AMBER/GREEN	AMBER/RED	RED	N/A
Scottish Government Guidance	Successful delivery appears highly likely with regard to time, cost and quality and there are no major outstanding issues that at this stage appear to significantly threaten progress	Successful delivery appears probable however attention will be needed in certain areas to ensure risks do not develop into major issues that will threaten delivery	Successful delivery appears possible, but issues already exist that require serious attention. These appear resolvable at this stage, but further action is required	Successful delivery is in serious doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed	Not listed on previous Quarter

Programme Dashboard – 25 August 2023

Overall Status Last Period	Overall Status This Period

Programme Milestones

Programme & Upcoming Programme Milestones	Target Date	RAG
Grant Offer Letter for 2023/24 received and agreed	30-Jun-23	Complete
2023 Annual Review of Deal documentation approved (Implementation Plan, Financial Plan, Governance Document, Communications Protocol)	30-Jun-23	Complete
Review overarching Monitoring & Evaluation Framework	30-Jul-23	Amber
Update Benefits Realisation Plan and progress on performance (every March and September)	30-Sep-23	Green
Update Benefits Realisation Plan and progress on performance (every March and September)	31-Mar-24	Green
Review and update Change Management Process - draft and approve Supplementary Advice Note 1	30-Jul-23	Amber
Review and update Business Case process with a focus on Full business Case requirements - draft and approve Supplementary Advice Note 2	31-Aug-23	Amber
Review and update Subsidy Control requirements for the AGD - draft and approve Supplementary Advice Note 3	31-Aug-23	Amber
Review and update AGD web site programme and project details	30-Sep-23	Green
Key project interdependencies articulated	31-Mar-24	Green
Annual Conversation (2022/23)	31-Jan-24	Green
Annual Performance Report approved and published (2022/23)	28-Feb-24	Green
Submission of statement of compliance with conditions of grant (2023/24)	30-Apr-24	Green

Financial Summary

Total AGD Grant £'000	AGD Grant Drawdown to Date £'000	%age of total AGD Grant	2023/24 AGD Grant Allocation £'000	2023/24 Grant Drawdown £'000
251,500	10,880	4.33%	25,810	295

Programme Top Risks

Risk	Likelihood	Impact	AGD Status	SG Status	Mitigating Action - UPDATE TO ALIGN WITH IMPLEMENTATION PLAN
Failure to achieve AGD programme objectives within agreed budget	4	4			The Regional Economic Joint Committee, Regional Economic Partnership, AGD Steering Group in place to monitor progress and to address any weaknesses or issues that could impact on overall delivery. 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. This includes responding to increasing costs of general capital works within the context of the original funding made available by the Government in 2019. Leading to potential to review risks where evidence suggests insufficient funding to undertake and complete projects in line with expected outcomes. PMO undertake ongoing environmental analysis to ensure programme objectives are relevant/valid as well as maximised where relevant and new benefits identified when materialising. Internal governance include regular reviews undertaken by PMO with input from SROs, Project Leads and Chief Executives to ensure AGD programme objective are met.
Failure to provide accurate projections for programme spend	4	4			Issues will be escalated to CEOs, Regional Economic Partnership and Regional Economic Joint Committee as appropriate. The Implementation Plan and Financial Plan have been updated to take account of the compressed funding. Project Leads have sought to address delays in gaining approved FBCs, by undertaking reviews of projects to fit existing budgets, which are shared with Finance Directors, the government and wider partners. Revised project mitigation measures seek to demonstrate how inflationary pressures will be managed. Business Case process monitored to ensure streamlined pathway to approval enabling projects to achieve FBC as quickly as possible to reach project delivery and clarity on expected spend. 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 as per Treasury Green Book and AGD Governance document. Inflationary factor addressed through project reviews e.g. re-scoping, phasing and reviewing benefits
Failure to drawdown full AGD funding	4	4			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. This includes PMO working with Project Leads, SRO's and S95's to ensure projects can be realised and help with change processes where necessary; and undertaking effective communication with Governments to ensure projects can be realised. Achieve business case approval in line with latest Deal Implementation Plan, and AGD Governance document and, Finance guidance. 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 processes in place to mitigate this risk
Delays in development and approval of business cases	4	4			Undertake focused engagement with SG and UKG in order to help ensure SBC, OBC and/or FBC comply with the Treasury Green Book and gain approval in line with AGD governance. PMO working closely with Project Leads and Policy Leads within UK and Scottish Governments to support business case development and approval to an agreed timeline. This includes exploring a streamlined change process (pre-FBC) particularly where budget constraints are sole driver of change. Project Leads have received Green Book business case training. Project Leads' toolkit in place. Other partners assisting in developing business cases where capacity is low
Lack of resources in PMO	4	4			A permanent PMO structure is in place but not all posts are currently filled, with recruitment now underway to start completing the team. The PMO is being supported by colleagues in each of the Councils in a number of work streams. PMO undertaking a review of capacity and skill sets in response to the changing requirements of the Office
Potential impact of international events upon cost of living crisis and economic prosperity of Ayrshire	4	4			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 via monthly reports of outputs and timelines for business cases at every stage of development in the light of external events. Continued monitoring of external environment and government relations. Regional Economic Strategy approved in early 2023 and be supported by an emerging action plan. 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. Current change management process to be reviewed with both governments and partners. Regional Skills Investment Plan developed, with a focus on its implementation via Ayrshire Skills Group. 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 via the Implementation Plan update to both governments setting out impact of increased costs or reduced the scope/outputs and time delivery if costs not met. PMO developing a baseline approach to FBC which will be shared with both governments and partners



AGD PROJECTS - COMPLETE	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 17/18 to 20/21 £'000
HALO	9,000	7,000	7,000	10,524
	<b>9,000</b>	<b>7,000</b>	<b>7,000</b>	<b>10,524</b>

FINANCIAL POSITION STATEMENT	
FINANCE YEAR	2023/24
QUARTER	2
MONTH	Jul-23

AGD PROJECTS - EXPECTED FBC/APPROVED FBC IN 2023/24 ~ GRANT OFFER LETTER	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 17/18 to 22/23 £'000	Total Expenditure 23/24 YTD £'000
Spaceport Infrastructure	23,000	23,000	0	2,856	266
Commercial Space - Prestwick - Industrial & Hangar	29,000	22,000	825	1,160	326
i3 Flexible Business Space	15,000	11,000	307	545	65
Community Renewable Energy Project (CoRE)	24,500	17,000	0	976	0
Working for a Healthy Economy	5,000	5,000	1,118	1,118	176
Ayrshire Skills Investment Fund	3,500	3,500	0	0	0
Community Wealth Building Fund	3,000	3,000	1,335	1,335	153
	<b>103,000</b>	<b>84,500</b>	<b>3,584</b>	<b>7,989</b>	<b>986</b>

Government Grant 2023/24 £'000						
Grant Allocation TBC	Grant Claimed Q1	Grant Claimed Q2	Grant Claimed Q3	Grant Claimed Q4	Total Grant Claimed YTD	Remaining Grant Available to Claim in year
2,856	0	0	0	0	0	2,856
17,690	0	0	0	0	0	17,690
2,339	65	0	0	0	65	2,274
300	0	0	0	0	0	300
703	117	0	0	0	117	586
850	0	0	0	0	0	850
1,075	113	0	0	0	113	960
<b>25,810</b>	<b>295.392</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>295</b>	<b>25,515</b>

AGD PROJECTS - FUTURE	Total Project Budget £'000	Government Grant Funding £'000	Government Grant Claimed to date £'000	Total Expenditure 17/18 to 22/23 £'000	Total Expenditure 23/24 YTD £'000
Aerospace & Space Technology Application Centre (ASTAC)	11,000	5,000	0	728	0
Prestwick Infrastructure - Roads	17,000	12,000	0	472	13
Ayrshire Engineering Park (Moorfield)	16,000	12,000	0	826	41
Ayrshire Manufacturing Investment Corridor (AMIC)	23,500	23,500	0	390	26
i3 Digital Processing Manufacturing Centre	6,000	5,000	0	245	9
Hunterston Strategic Development Area	18,000	18,000	0	192	2
International Marine Science & Environmental Centre (IMSE)	10,500	6,500	0	134	4
The Great Harbour, Irvine Harbourside & Ardeer	14,000	9,000	0	460	40
Marine Tourism	9,500	9,500	0	412	14
Digital Projects (name TBC)	14,000	14,000	0	76	0
	<b>139,500</b>	<b>114,500</b>	<b>0</b>	<b>3,934</b>	<b>150</b>
<b>AGD TOTAL</b>	<b>251,500</b>	<b>206,000</b>	<b>10,584</b>	<b>22,447</b>	<b>1,136</b>

## Project Updates - Guidance



Project Stages	Stage Definition		Project Stages	Stage Definition	
Define - SBC	Establishing the strategic context for the spending proposal		Implement	Business case has been approved by Joint Committee, and is being implemented	
Define - OBC	Establishing the preferred option		Deliver	Project is in place and monitoring and evaluation is in framework to assess if it is achieving its objectives	
Define - FBC	OBC approved by government, securing delivery plans and finalising detailed costing		Legacy	Project has resulted in mainstreaming or improvements to business as usual (impact) that is generated beyond the funded period	
RAG Status	Programme Milestone Timeline Status	Project Scope Status	Project Budget Status	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 milestone, 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 milestone, 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 milestone, 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 milestone, 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

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 - Guidance (Risks)

This table illustrates the conversion of AGD RAG Status to Scottish Government RAG Status

Source	GREEN	AMBER		RED	N/A
Ayrshire Growth Deal RAG Guidance Note	with an AGD risk register score of between 0-3	with an AGD risk register score of between 4-9	with an AGD risk register score of between 10-14	with an AGD risk register score of between 15-25	N/A
Scottish Government Guidance	Successful delivery appears highly likely with regard to time, cost and quality and there are no major outstanding issues that at this stage appear to significantly threaten progress	Successful delivery appears probable however attention will be needed in certain areas to ensure risks do not develop into major issues that will threaten delivery	Successful delivery appears possible, but issues already exist that require serious attention. These appear resolvable at this stage, but further action is required	Successful delivery is in serious doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed	Not listed in previous Quarter

## Programme Summary – 25 August 2023



Project Name	OBC Date	OBC RAG	FBC Date	FBC RAG	Project Scope Status	Project Budget Status	Project Overall Status
Aerospace and Space Technology Application Centre	01/12/2023	Green	02/08/2024	Green	Green	Amber	Red
Spaceport Infrastructure	30/10/2021	Complete	30/09/2023	Red	Green	Red	Red
Prestwick Commercial Space	30/08/2021	Complete	08/09/2022	Complete	Green	Red	Green
Prestwick Infrastructure Roads	28/02/2024	Red	31/10/2024	Red	Red	Red	Red
Ayrshire Engineering Park (Moorfield)	30/09/2023	Green	10/06/2024	Green	Amber	Amber	Amber
Ayrshire Manufacturing Investment Corridor	30/10/2023	Green	10/06/2024	Green	Green	Amber	Amber
i3 Flexible Business Space	30/05/2021	Complete	30/09/2022	Complete	Green	Amber	Amber
i3 Digital Processing Manufacturing Centre	31/05/2022	Complete	30/06/2022	Complete	Green	Amber	Amber
HALO	31/05/2022	Complete	30/06/2022	Complete	Complete	Complete	Complete
Community Renewable Energy	31/05/2022	Complete	20/12/2023	Green	Amber	Amber	Amber
Hunterston	30/06/2024	Green	28/02/2026	Green	Amber	Green	Amber
International Marine Science & Environmental Centre	30/06/2024	Green	28/02/2026	Green	Amber	Amber	Amber
Marine Tourism	31/12/2023	Green	30/03/2026	Green	Amber	Red	Amber
Great Harbour	25/06/2021	Complete	31/03/2024	Green	Amber	Amber	Green
Digital Infrastructure & Subsea Cable (TBC)	tbc	under rescope	tbc	under rescope	Red	Green	Red
Ayrshire Skills Investment Fund	30/04/2023	Green	30/06/2023	Amber	Amber	Green	Amber
Working for Healthy Economy	19/02/2021	Complete	22/02/2021	Complete	Green	Green	Amber
Community Wealth Building	12/02/2021	Complete	22/02/2021	Complete	Green	Green	Amber

## Project Updates – Space and Aerospace Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Aerospace & Space Technology Application Centre	George Hunter	Louise Reid
Spaceport Infrastructure	Derek Yuille	
Commercial Space	Derek Yuille	
Prestwick Infrastructure Roads (Phase 1)	Kevin Braidwood	

**Project Update**

<b>Project Scope Status</b>	Green	<b>Project Budget Status</b>	Amber
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Monthly update - provide narrative Project Lead: George Hunter

Attended PAOG meeting with public bodies and private industry representatives, sub-groups established, with group leads identified/confirmed. First meeting held with consultant, SAC project lead, & AC (Ayrshire College), established the roles and responsibilities of each and set out the initial framework including the OBC requirement. Working group established and follow-up timetable created. Visit arranged to review existing properties at Prestwick Airport week commencing 21st August. Next steps include discussions with PAOG sub-groups in particular the skills/resource & innovation groups and scoping of the project with particular emphasis on delivering training by Innovation.

**Project Targets**

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	01/12/2023	Green	AGD/O/1 - New Jobs Created (Direct and Indirect)	tbc	tbc
FBC	02/08/2024	Green	AGD/O/2 - Construction jobs created	tbc	tbc
Phases	Target date		AGD/O/9 - Business Space Created	tbc	tbc
Phases	Target date		AGD/O/13 - Visitors	tbc	tbc
Phases	Target date		AGD/O/14 - SME's Supported	tbc	tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC Submitted to Government	01/12/2023	Green	Completion of Phase 2	30/10/2029	Green
Develop local partnership delivery model	01/12/2023	Green	Final financial drawdown	31/03/2030	Green
Complete final project design and procurement documentation	02/08/2024	Green			
FBC approved by Joint Committee	02/08/2024	Green			
Hand-over (Phase 1) to operational organisation	23/10/2026	Green			

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Sustainable funding model not achieved	5	4	20	High	High	<ul style="list-style-type: none"> <li>Development of local delivery partnership</li> <li>Market survey required to determine medium term support</li> <li>Initial projects success will demonstrate viability of ASTAC proposal</li> <li>Development of a membership/engagement set</li> <li>Limit the scale of ASTAC to match projected workload</li> <li>Model allows for facilities re-use as technology and business needs mature</li> </ul>	
ASTAC not effective quickly to support urgent industrial needs	4	5	20	High	High	<ul style="list-style-type: none"> <li>Core capabilities already available</li> <li>Skills development and training already established</li> <li>Phased approach to support priority actions first</li> <li>Utilise experience and resource from project partners</li> </ul>	
Failure to attract external investors into this facility	5	4	20	High	High	<ul style="list-style-type: none"> <li>Project team focused on ensuring business model and design can react to changing industry and technology demands</li> <li>Stakeholder management</li> <li>Marketing and promotional campaigns to be put in place</li> </ul>	
Commercial viability and impact of economic downturn	4	4	16	High	High	<ul style="list-style-type: none"> <li>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</li> </ul>	
Proposal not supported by local businesses	5	3	15	High	High	<ul style="list-style-type: none"> <li>Industrial engagement to be carried out to identify what specifics ASTAC will deliver</li> <li>Collaboration with Scottish Enterprise to ensure industry support</li> <li>Start-up industrial partners confirmed before project full approval</li> </ul>	

**Project Update**

<b>Project Scope Status</b>	Green	<b>Project Budget Status</b>	Red
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Monthly update - provide narrative Project Lead: Derek Yuille

There is a significant funding gap and additional funds are required if the project is to proceed. Discussions have been held with Scottish Enterprise who have confirmed the Spaceport's importance as part of a broader economic development programme around Prestwick and Scotland's space and aerospace proposition and capabilities. Scottish Enterprise have proposed that they work with SAC and the regional partners to: develop the Spaceport Full Business Case; plug the funding gap for the land acquisition and; explore opportunities to accommodate additional build costs; and that Scottish Enterprise are appointed as the delivery organisation for the Spaceport project by the AEJC.

**Project Targets**

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/10/2021	Complete	AGD/O/1 - New Jobs Created (Direct and Indirect)	10	tbc
FBC	30/09/2023	Red	AGD/O/2 - Construction Jobs Created	135	tbc
Phases	Target date		AGD/O/9 - Business Space Created	3200 sqm	tbc
Phases	Target date			Target	tbc
Phases	Target date			Target	tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
RIBA Stage 3	30/04/2023	Red	Airspace change agreed	31/03/2024	Green
Heads of Terms agreed to purchase land	20/06/2023	Red	LSO/LSP/Range Licence requirements for first launch	30/11/2024	Green
FBC approved by Joint Committee	30/09/2023	Red	Spaceport infrastructure complete	30/11/2024	Amber
Construction Start	01/11/2023	Red	First Commercial Launch	31/01/2025	Amber
Safety Case	31/03/2024	Green	Full project completed/final drawdown	31/03/2026	Amber

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Delay in receiving a decision on additional funding support from SG/UKG	4	2	8	Yellow	Green	Letter sent from SAC CE to SG/UK Gov with updated project costs highlighting funding gap for project and seeking additional funding support if project is to go ahead	31/10/2023
Agreement not reached to acquire land necessary for development	4	2	8	Yellow	Green	New land agent appointed to take forward negotiations with land owners to secure preferred site. GPA approached to identify alternative site within airport should negotiations on preferred site fail.	30/11/2023
Project does not secure planning consent	4	2	8	Yellow	Green	Early and continuous dialogue with Planning Authority to ensure any matters that will be considered during application process are addressed fully prior to submission. Full compliance with application process including meaningful stakeholder consultations where required.	31/12/2023
Financial viability of LSO and LSP	4	2	8	Yellow	Green	Due diligence will require to be undertaken on LSP (By GPA) and LSO (by SAC) to establish their financial suitability to enter into any lease agreements prior to agreeing terms	31/12/2023
Failure or delay in obtaining required licences for spaceport operation	3	2	6	Yellow	Green	Launch Site Operator (GPA) and Launch Service Provider (Astraius) are responsible for obtaining any licences associated with the operation of spaceport and introducing mitigation measures to reduce the risk of failure.	31/12/2024



**Project Update**

<b>Project Scope Status</b>	Green	<b>Project Budget Status</b>	Red
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Monthly update - provide narrative Project Lead: Derek Yuille

Site preparatory works/archaeology are now complete on Opp A (Mangata). Due to issues with funding and due diligence, main construction has been delayed and now programmed to start Jan 2024 and complete May 2026. Planning consent granted June 2023.

**Project Targets**

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/08/2021	Complete	AGD/O/1 - New Jobs Created (Direct and Indirect)	570	tbc
FBC	08/09/2022	Complete	AGD/O/2 - Construction Jobs Created	150	tbc
			AGD/O/9 - Business Space Created	13900 sqm	tbc
			AGD/O/16 - Leverage (incl. LA, HE/FE, Private Sector and any other leverage)	£55,000,000	tbc
			Target		tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Planning permission	31/05/2023	Complete			
Handover	31/12/2025	RED			
Final financial drawdown	31/03/2030	Green			

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Approval • Delays in planning process due to capacity constraints • Objections to proposed route				Yellow	Green	Prestwick Campus Masterplan incorporated in development of LDP2 via main issues report and subsequent consultation with residents and other parties • On-going community consultation	31/12/2023
Delays in provision of utilities				Yellow	Green	Site energy strategy to be put in place and early engagement in place across utilities companies	30/06/2024
Delays to design and build procurement processes • Challenges to the process • Availability of contractors				Yellow	Green	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	31/12/2023
Delays in site acquisition/agreement with Scottish Enterprise				Yellow	Green	Project team preparing proposal for Scottish Enterprise and project team will monitor progress with negotiation and take remedial action should timelines slip	31/12/2023
Economic downturn				Yellow	Green	Early engagement with market indicates that this investment is an important part of recovery and engagement with market will be maintained	31/12/2024

**Project Update**

<b>Project Scope Status</b>	Red	<b>Project Budget Status</b>	Red
<b>Monthly update - provide narrative</b>	<b>Project Lead: Kevin Braidwood</b>		

Transport Planning Objectives and Case for Change submitted to Transport Scotland (TS) with provisional review meeting with TS set for w/c 14th September, Business stakeholder meetings arranged and ARA will attend the September Monkton Community Council meeting.

**Project Targets**

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	28/02/2024	Red	AGD/O/2 - Construction Jobs Created	40	tbc
FBC	31/10/2024	Red	AGD/O/7 - new roadway created	2 km	tbc
Phases	Target date		AGD/O/7 - roadway upgraded	1 km	tbc
Phases	Target date		AGD/O/7 - new roundabouts	1	tbc
Phases	Target date		AGD/O/11 - upgraded roundabouts	3	tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Roads Enabling STAG Appraisal - Release of funds from Transport Scotland	31/08/2023	Red	Procurement of contractor and commencement of works – Monkton	30/06/2024	Red
Planning and regulatory consent achieved – Spaceport (St Quivox)	30/09/2023	Red	Completion of works – Spaceport (St Quivox)	31/12/2024	Red
Land assembly, site preparation, contract documentation – Spaceport (St Quivox)	31/12/2023	Red	Completion of works – Monkton	31/2/2025	Red
Planning and regulatory consent achieved – Monkton	31/12/2023	Red	Planning and regulatory consent achieved - Gannet Link	tbc	Red
Roads Enabling OBC - TS & Council Approval	28/02/2024	Red	Land assembly, site preparation, contract documentation - Gannet Link	tbc	Red
Land assembly, site preparation, contract documentation – Monkton	31/03/2024	Red	Procurement of contractor and commencement of works – Gannet Link	tbc	Red
Procurement of contractor and commencement of works – Spaceport (St Quivox)	30/04/2024	Red	Completion of works - Gannet Link	tbc	Red
Roads Enabling FBC - TS & Council Approval	31/05/2024	Red	Final financial drawdown	tbc	Red

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Route design - 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.	4	4	16	Red	Red	Utilise 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 Early landowner identification and discussion supported by legal review where necessary	30/09/2024
Delays in release of enabling infrastructure funding from Scottish Government via Transport Scotland	4	4	16	Red	Red	Commissioning of Enabling Roads STAG and OBC • Effective scoping and ongoing liaison with Transport Scotland	STAG 28/10/2023 OBC 31/07/2024
Interdependencies with Spaceport project Risk that the construction of new access to serve spaceport does not meet agreements with funders and Heads of Terms requirements	4	2	8	Yellow	Green	Continual review of interdependencies with other AGD projects, particularly Spaceport (including site location and exclusion zone requirements). • Engagement with stakeholders and funders Consider in the design of the new road the serving of the spaceport and future development opportunities.	30/09/2024
Cost overruns	4	2	8	Yellow	Green	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	31/12/2027
Planning Approval - Delays in planning due to capacity constraints, Objections to proposed route, Planning programme and interrelation between overall Spaceport development and enabling roads infrastructure	3	2	6	Yellow	Green	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 • Planning Strategy to be developed to ensure planning applications are interconnected	31/12/2024

## Project Updates – Economic Infrastructure Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Ayrshire Engineering Park (Moorfield)	Fiona Paterson	David McDowall
Ayrshire Manufacturing Investment Corridor (AMIC)	Gillian Morton	
i3 Flexible Business Space	Marnie Ritchie	Neale McIlvanney
i3 Digital Processing Manufacturing Centre (DPMC)	Marnie Ritchie	
HALO	Gary Deans	David McDowall



# Ayrshire Engineering Park (Moorfield)



August  
2023

Project Overall Status  
Amber

## Project Update

Project Scope Status	Amber	Project Budget Status	Amber
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Monthly update - provide narrative Project Lead: Fiona Paterson

1. Tender responses have been received for appointment of Civil/Structural Engineer and M&E Consultant for combined AEP & AMIC site, scoring and then appointment of tenders expected by September 2023.
2. Project team are currently pulling together additional information & programme businesses case for submission in the coming weeks.
3. Two Public Consultation meetings will be held in September, date to be confirmed.

## Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/09/2023	Green	AGD/O/1 - New Jobs Created (Direct and Indirect)	203	tbc
FBC	10/06/2024	Green	AGD/O/2 - Construction Jobs Created	88	tbc
Phases	Target date		AGD/O/9 - Business Space Created	7250 sqm	tbc
Phases	Target date		AGD/O/10 - Reduced vacant & derelict land	18.3 ha	tbc
Phases	Target date		AGD/OT/7 - Additional Investment (incl Foreign Direct Investment)	tbc	tbc

## Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC Approved by Government	30/09/2023	Green	FBC approved by Joint Committee	10/06/2024	Green
Tender for Building Services & Civil and Structural Engineers Services	02/05/2023	Green	Commencement of infrastructure works	24/06/2024	Green
Design period incl community consultation & Environmen Impact Analysis commences	10/07/2023	Green	Construction of terraced units and 500sqm unit	21/04/2025	Green
Planning permission secured	30/03/2024	Green	Initial business premises operational	19/01/2026	Green
FBC endorsed by Government	20/05/2024	Green	First tenants move in	01/02/2026	Green

## Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Failure to Contribute to AGD programme objectives	3	3	9	Amber	Green	Project will be managed by EAC in line with PRINCE 2 principles – any issues will be monitored, and remedial action agreed to ensure delivery remains in line with the OBC projections. AGD Steering Group and other governance arrangements are in place to monitor progress and to address any weaknesses or issues that could impact on overall delivery and project lead will be required to provide regular project updates	31/3/2027
Failure to provide accurate projections for project spend	3	3	9	Amber	Green	<ul style="list-style-type: none"> <li>Ensure sufficient optimism bias built into costing of the project</li> <li>Inflationary factor included in cost estimations</li> </ul> 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 <ul style="list-style-type: none"> <li>Issues to be escalated PMO in first instance to agree remedial actions as appropriate</li> <li>Challenge panel led by PMO exists to review &amp; scrutinise spend profiles</li> </ul>	31/3/2027
Delays in approval of business case	3	3	9	Amber	Green	Project lead will work closely with PMO and policy leads within UKG and SG to support business case development and approval to an agreed timeline	30/12/2025
Failure to deliver community benefits from the project	3	2	6	Amber	Green	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	31/03/2027
Negative Publicity	3	2	6	Amber	Green	A communications protocol has been agreed with both governments and will support shared communications designed to build stakeholder confidence <ul style="list-style-type: none"> <li>All project specific publicity will be dealt with in a coordinated fashion, sensitivity and empathy to business climates at the time of publications will be carefully monitored</li> </ul>	31/3/2027



# Ayrshire Manufacturing Investment Corridor



August

Project Overall Status

2023

Amber

## Project Update

Project Scope Status	Green	Project Budget Status	Amber
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Monthly update - provide narrative Project Lead: Gillian Morton

1. Tender responses have been received for appointment of Civil/Structural Engineer and M&E Consultant for combined AEP & AMIC site, scoring and then appointment of tenders expected by September 2023.
2. Project team are currently pulling together additional information & programme businesses case for submission in the coming weeks.
3. Two Public Consultation meetings will be held in September, date to be confirmed.

## Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/10/2023	Green	AGD/O/1 - New Jobs Created (Direct and Indirect)	189	tbc
FBC	10/06/2024	Green	AGD/O/2 - Construction Jobs Created	130	tbc
Phases	Target date		AGD/O/9 - Business Space Created	5814 sqm	tbc
Phases	Target date			tbc	tbc
Phases	Target date			tbc	tbc

## Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC Approved by Government	30/10/2023	Green	Phase 1 - works commence (Food & Drink Centre)	07/04/2025	Green
Planning application secured	28/02/2024	Green	Phase 2 - works commence (speculative units)	02/02/2026	Green
FBC endorsed by Government	20/05/2024	Green	Phase 1 - Initial premises operational	01/02/2026	Green
FBC approved by Joint Committee	10/06/2024	Green	Phase 2 - Initial premises operational	09/11/2026	Green
Award & Commence Infrastructure - Procurement Contract	24/06/2024	Green	First tenant secured	01/02/2026	Green

## Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Construction costs in particular costs of materials significantly increase	4	4	16	Red	Red	The project team will work closely with colleagues in F+PM and the design consultants to develop a cost effective but efficient building design. An affordability cap has been set as part of the appointment of the design team to ensure we work within the parameters of the budget.	24/06/2024
Failure to Contribute to AGD programme objectives	3	3	9	Yellow	Green	Project will be managed by EAC in line with PRINCE 2 principles – any issues will be monitored, and remedial action agreed to ensure delivery remains in line with the OBC projections. AGD Steering Group and other governance arrangements are in place to monitor progress and to address any weaknesses or issues that could impact on overall delivery and project lead will be required to provide regular project updates	31/03/2027
Failure to provide accurate projections for project spend	3	3	9	Yellow	Green	<ul style="list-style-type: none"> <li>Ensure sufficient optimism bias built into costing of the project</li> <li>Inflationary factor included in cost estimations</li> </ul> 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 <ul style="list-style-type: none"> <li>Issues to be escalated PMO in first instance to agree remedial actions as appropriate</li> <li>Challenge panel led by PMO exists to review &amp; scrutinise spend profiles</li> </ul>	31/03/2027
Delay or failure delivering project due to concerns around transport implications	3	3	9	Yellow	Green	<ul style="list-style-type: none"> <li>Undertake all Transport Assessments and reports as required by LDP</li> <li>Continue to liaise with Transport Scotland</li> </ul> Continue to progress all site options proposed in BC to ensure best site possible is chosen and the project can be delivered	30/05/2024
Delays in approval of business case	3	3	9	Yellow	Green	Project lead will work closely with PMO and policy leads within UKG and SG to support business case development and approval to an agreed timeline	30/03/2025



i3 Flexible Business Space



August

Project Overall Status

2023

Amber

Project Update

Project Scope Status	Green	Project Budget Status	Amber
Monthly update - provide narrative		Project Lead: Marnie Ritchie	

Phase 1 - Contractor Muir Group appointed. Design revised to accommodate inaccurately mapped high pressure water mains and related stand off zone. Work can now commence on marketing, with NAC receiving ongoing enquiries. Building warrant submitted and estimated start on site is mid October 2023.

Phase 2 & 3 - internal approval to commence work on Phase 2 and accelerate, with support from internal team of architects and surveyors.

Project Targets

Business Cases	Target date	Status		Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/05/2021	Complete		AGD/O/1 - New Jobs Created (Direct and Indirect)	133	tbc
FBC	30/09/2022	Complete		AGD/O/2 - Construction jobs created	83	tbc
Phase 2 FBC	25/02/2025	Green		AGD/O/9 - Business Space Created	6000 sqm	tbc
Phase 3 FBC	28/02/2027	Green		AGD/O/10 - Reduced vacant and derelict land	20 ha	tbc
				AGD/O/14 - Start-ups	5	tbc

Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Construction/Project completed and Handover (RIBA Stage 5-6; Construction & Handover)	31/10/2024	Green	Completion of Phase 2	30/10/2029	Green
Reporting; outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)	31/10/2025	Green	Final financial drawdown	31/03/2030	Green
Phase 2 FBC approved by Joint Committee	25/02/2025	Green			
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)	31/03/2025	Green			
Construction/Project completed and Handover (RIBA Stage 5-6; Construction & Handover)	tbc	Green			

Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Cost overruns	4	5	20	Red	Red	<ul style="list-style-type: none"> <li>Develop and validate Project Brief and Specification</li> <li>Benchmark costs</li> <li>Ensure early infrastructure cost tested/ informed SI</li> <li>Provide Green Book compliant optimism bias allowances</li> <li>Provide for contingency</li> <li>Undertake value engineering</li> <li>Pursue additional funding sources</li> </ul>	
Project delays and economic impact of Covid-19 and recovery	4	4	16	Red	Red	<p>Early analysis has identified that the need for this project is unlikely to be diminished and in fact may be even greater</p> <p>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</p> <p>Work with contractors to devise solutions designed to minimise impact of social distancing – such as different work patterns</p>	
Failure to deliver anticipated outputs and outcomes	3	5	15	Red	Red	<ul style="list-style-type: none"> <li>Ensure BC addresses sensitivity of outcomes</li> <li>Clear Evaluation &amp; Monitoring Framework</li> </ul>	
Demand – no interest from occupiers	3	5	15	Red	Red	<ul style="list-style-type: none"> <li>Flexible design to maximise potential interest from occupiers</li> <li>Marketing and promotion of floorspace</li> </ul> <p>Continue to establish strategic relationship with national sector (including links with NMIS)</p>	
Utilities cause delays e.g. surface water drainage connections, sub-station requirements.	3	4	12	Yellow	Orange	<p>Utility companies to be approached and applications to be submitted at an early stage. Despite this mitigation, issues have arisen on utilities for Phase 1, hence change to status to reflect this. Contractor working with Scottish Water and current issue resolved. However changed to amber /red status for ongoing project and future phases.</p>	



Project Update

Project Scope Status	Green	Project Budget Status	Amber
Monthly update - provide narrative		Project Lead: Marnie Ritchie	

Phase 1 - University of Strathclyde are procuring the equipment, fit out, recruiting for resources and securing membership of companies which is taking longer that anticipated. Stakeholder visit took place in May 2023 and video promoting centre is being prepared by NMIS.

Phase 2 - Centre: Analysis with partners to be completed on Phase 1 to provide scoping parameters for phase 2.

Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	31/05/2022	Complete	AGD/O/1 - New Jobs Created (Direct and Indirect)	95	tbc
FBC	30/06/2022	Complete	AGD/O/2 - Construction Jobs Created	84	tbc
Phase 2 OBC	31/12/2024	Green	AGD/O/9 - Business Space Created	1749 sqm	tbc
Phase 2 FBC	31/12/2025	Green	AGD/O/10 - Reduced vacant & derelict land	20 Ha	tbc
			AGD/O/16 - Leverage: (incl. LA, HE/FE, Private Sector and any other leverage)	£19,810,000	tbc

Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Reporting; outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)	31/07/2027	Green	Reporting; outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)	30/04/2028	Green
OBC Phase 2 approved by Government	31/12/2024	Green			
FBC Phase 2 approved by Joint Committee	31/12/2025	Green			
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)	31/01/2026	Green			
Construction/Project completed and Handover (RIBA Stage 5-6; Construction & Handover)	31/07/2027	Green			

Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Capital costs are in excess of the budget.	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Value engineering of works specifications</li> <li>Proactive review of funding opportunities to make the shortfall</li> </ul>	
Failure to deliver anticipated outputs and outcomes	4	3	12	Yellow	Orange	<ul style="list-style-type: none"> <li>Ensure BC addresses sensitivity of outcomes</li> <li>Clear Evaluation &amp; Monitoring Framework</li> <li>Phase 0 and Phase 1 will establish the concept, build operational capacity and industry interest.</li> <li>Conditions of grant will include expected outputs to measure the project's success.</li> <li>Regular monitoring of centre's performance through Supervisory Board</li> </ul>	
Delays to procurement processes	3	4	12	Yellow	Orange	<ul style="list-style-type: none"> <li>Seek early agreement on appropriate procurement routes</li> <li>Include anticipated tender packages within the Council's Procurement Wave Plan</li> <li>Notify potential bidders of procurement opportunities at an early stage</li> </ul>	
Ongoing Partnership commitment	4	3	12	Yellow	Orange	<ul style="list-style-type: none"> <li>Memorandum of Understanding signed August 2021</li> <li>Collaboration Agreement signed March 2022</li> <li>Development and co-ordination of appropriate governance procedures</li> <li>Commitment to lease for Phase 1 location</li> </ul>	
Failure to deliver community benefits	4	3	12	Yellow	Orange	<ul style="list-style-type: none"> <li>Incorporate appropriate community benefits into contract terms and resource appropriately.</li> </ul>	



HALO



June 2023

Project Overall Status Complete

Project Update

Project Scope Status	Complete	Project Budget Status	Complete
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Monthly update - provide narrative Project Lead: Gary Deans

What a month it has been, we were delighted to welcome our first Cohort from Ayrshire Chamber of Commerce to the HALO #RockMe Trading floor. It was great to meet the four businesses and introduce them to everything HALO. It has been another busy month with events which climaxed in hosting Barclays, 'Road To A Sustainable Ayrshire' event. It was great to welcome our clients and partners as well as some new faces to HALO to find out about how they can get their businesses to Net Zero by 2045. We were delighted to welcome our first cohort of clients from the Ayrshire Chamber of Commerce partnership. We also welcomed some more new clients to our HALO #RockMe Trading Floor, Aspiration Accounts, Resolute FA and Clear Vision Mortgages. It's brilliant to continue to see the HALO #RockMe Trading Floor grow and you'll see more from all of their team as the months go on!

Project Targets

Business Cases	Target date	Status		Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	31/05/2022	Complete		AGD/O/1 - New Jobs Created (Direct and Indirect)	232	182
FBC	30/06/2022	Complete		AGD/O/2 - Constructon Jobs Created	256	265
Phases	Target date			AGD/O/3 - safeguarded jobs	300	375
Phases	Target date			AGD/O/15 - Private sector investment	£15,199,000	tbc
Phases	Target date			AGD/OT/7 - Public and private sector investment - Phase 2	£46,000,000	tbc

Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status

Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Failure in financial management and reporting	2	2	4	4	4	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. Copy of monthly report forwarded to PMO for BRP purposes.	
Reputational	2	2	4	4	4	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 Updates – Energy, Circular Economy & Environment Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Community Renewable Energy (CoRE)	Diarmid Turnbull	David McDowall
Hunterston Strategic Development Area	Neale McIlvanney	Neale McIlvanney
International Marine Science & Environment Centre (IMSE)	Neale McIlvanney	



# Community Renewable Energy



August

Project Overall Status

2023

Amber

## Project Update

<b>Project Scope Status</b>	Amber	<b>Project Budget Status</b>	Amber
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**Monthly update - provide narrative** | **Project Lead: Diarmid Turnbull**

1. A revised draft of the Demonstrator Report has been received which includes amendments as requested. Officers have reviewed the report and are satisfied with the amendments. The Cabinet report has been prepared and will be presented to Cabinet on 20th September 2023. The Cabinet report will provide an full update on: the Strathclyde University Demonstrator Project Report, the current project status, progress of partnership board development and request for additional resource to support project development. 3.  
 The project team are in the process of forming the Partnership Board, this is expected to be completed by the end of August 2023, with the first Board meeting to be held early-mid September. 4. The outcomes of the Demonstrator Report will be presented to the Board, with early pathfinder recommendations.

## Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	31/05/2022	Complete	AGD/O/1 - New Jobs Created (Direct and Indirect)	108	tbc
FBC Demonstrator Projects	20/12/2023	Green	AGD/O/2 - Construction Jobs Created	88	tbc
FBC Centre of Excellence	30/05/2024	Green	AGD/O/9 - Development Space Unlocked	3008 sqm	tbc
Phases	Target date			tbc	tbc
Phases	Target date			tbc	tbc

## Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Formation of Management Board	30/05/2023	Amber	FBC for CoRE Innovation Centre	30/05/2024	Green
Engagement with Education and Skills Partners	30/08/2023	Green	Commencement of Programme of Demonstrator Projects	01/02/2024	Green
Programme Business Case	15/07/2023	Green		tbc	
Review of CoRE Innovation Building	20/12/2023	Green		tbc	
FBC for Demonstrator projects	20/12/2023	Green		tbc	

## Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Construction costs, in particular cost of materials, significantly increases due to the pandemic.	4	5	20	Red	Red	The project team will work closely with colleagues in F+PM and the design consultants to develop a cost effective but efficient building design. An affordability cap has been set as part of the appointment of the Design Team to ensure we work within the parameters of the budget.	31/03/2030
Health Pandemic/UK threat to business security- the risk that a global health pandemic could shut down the country causing significant danger to life and the economic stability of the country.	3	5	15	Red	Red	The Centre of Excellence will be a national centre for businesses within the energy and technology industry in times of crisis. The Centre will provide support and direction for these businesses as well as providing lab space to allow for any technology testing (such as creating a new type of ventilator) to meet any demand.	31/03/2030
Failure to attract investors and new businesses to locate within the Centre of Excellence	3	5	15	Red	Red	EAC will work collaboratively with specialist partners, including Scottish Enterprise and Energy Technology Partnership, from an early stage to identify and work with potential investors. The research carried out within the facility will be tailored towards particular technologies for which there is market interest in. 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. 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	31/03/2028
Delays in approval of business case (due to COVID-19, feedback from both Governments may be delayed as their efforts will be focussed on critical services). Potential delays to project delivery may impact on milestone achievements resulting in potential reduction in realisation of benefits of AGD.	3	5	15	Red	Red	Project Lead will work closely with PMO and policy leads within UKG and SG to support business case development and approval to an agreed timeline. Ensure business case statistics, feedback and information is up-to-date while waiting for further feedback.	31/03/2027
Design Stages of the Centre of Excellence and the site take longer than expected with the landowner (also due to COVID-19, there could be further delay as staff working arrangements change).	3	4	12	Yellow	12	Clear deadlines and targets have been clearly set out with the landowner and design team. Ensure there is continuous collaborative working between the Council, design team and landowner. <ul style="list-style-type: none"> <li>Ensure there is consistent communication between Project Team and landowner.</li> </ul>	31/03/2025



### Hunterston



August

Project Overall Status

2023

Amber

#### Project Update

<b>Project Scope Status</b>	Amber	<b>Project Budget Status</b>	Green
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Monthly update - provide narrative **Project Lead: Neale McIlvanney**

Extensive work has been progressed to underpin the strategic case for both IMSE and Hunterston both aligning with an identified nationally significant blue economy and energy opportunity. This has included development of informal academic partnership, research, analysis and industry engagement and formation of partnership related to project development and delivery for Hunterston. MoU in place with Peel Ports Ltd & SE - partners are continuing to develop actions to unlock potential AGD investment, particularly identifying land ownership and delivery model which will enable OBC development. Partner engagement is also ongoing to understand impact of nuclear decommissioning on wider strategic development area.

#### Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/06/2024	Green	AGD/O/1 - New Jobs Created (Direct and Indirect)	tbc	tbc
FBC	28/02/2026	Green	AGD/O/2 - construction jobs	1204	tbc
Phases	Target date		AGD/O/3 - safeguarded jobs	tbc	tbc
Phases	Target date		AGD/O/7 - New or upgraded roads/junctions/cycle pathways	tbc	tbc
Phases	Target date		AGD/O/16 - Leverage Funding (incl LA, HE/FE, Private Sector and any other leverage)	£200,000,000	tbc

#### Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC approved by Government	30/06/2024	Amber	Construction/Project completed and Handover (RIBA Stage 5-6: Construction & Handover)	30/06/2029	Green
Completion of detailed design - RIBA Stage 3	31/03/2025	Green	Reporting: outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)	31/03/2030	Green
Completion of technical design - RIBA Stage 4	31/12/2025	Green			
FBC approved by EJC	28/02/2026	Green			
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)	31/03/2026	Green			

#### Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Unforeseen project complexities that require additional funding	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Provide Green Book compliant optimism bias allowances</li> <li>Provide for contingency</li> <li>Project monitoring will track potential impacts and create ability to respond</li> </ul>	
Ground conditions and historical legacy of site infrastructure create major burdens for development	4	4	16	Red	Red	Project team is working with Peel Port Group to understand the development issues/infrastructure/utilities impacting onsite re-development	
Concept not supported by Partners and evidence of investment/market support not forthcoming	4	3	12	Amber	Orange	Project team/Peel Port Group/SE developing and promoting an investment model to secure major inward investment plus academic partners and industry <ul style="list-style-type: none"> <li>Dialogue being progressed around role, responsibilities and funding commitments</li> </ul> MOU signed between NAC/SE/Peel and wider strategic proposition around blue economy and Hunterston supported by partners	
Concept and Operational Management revised /amended	3	4	12	Amber	Orange	Project team/Peel Port Group developing a partnership/investment model to secure inward investment/academic partners and industry	
Other Development/Investment/ Proposals impact on capacity/deliverability	4	3	12	Amber	Orange	<ul style="list-style-type: none"> <li>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</li> <li>Peel Ports have gained planning approval of a site Framework to allow planning applications to be considered</li> </ul>	
Project fails to secure necessary consents	4	3	12	Amber	Orange	Project team is in early dialogue with key regulatory partners and stakeholders	



**Project Update**

<b>Project Scope Status</b>	Amber	<b>Project Budget Status</b>	Amber
<b>Monthly update - provide narrative</b>		<b>Project Lead: Neale McIlvanney</b>	

Extensive work has been progressed to underpin the strategic case for both IMSE and Hunterston both aligning with an identified nationally significant blue economy and energy opportunity. This has included development of academic partnership, research, analysis and industry engagement and formation of partnership related to project development and delivery. Collaboration Agreement being worked up between NAC, Field Studies Council & University of Stirling to agree partnership arrangement to progress with interventions required to fulfil this project and the supporting business case development plan.

**Project Targets**

Business Cases	Target date	Status		Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/06/2024	Green		AGD/O/1 - New Jobs Created (Direct and Indirect)	75	tbc
FBC	28/02/2026	Green		AGD/O/2 - Construction Jobs Created	58	tbc
Phases	Target date			AGD/O/9 - Development Space Unlocked	1400 sqm	tbc
Phases	Target date			AGD/O/10 - Reduced and vacant derelict land	0.6 Ha	tbc
Phases	Target date			AGD/O/14 - Start-Ups	4	tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status		Milestone	Due date	Milestone status
OBC approved by Government	30/06/2024	Amber		Construction/Project completed and Handover (RIBA Stage 5-6: Construction & Handover)	30/06/2029	Green
Completion of detailed design - RIBA Stage 3	31/03/2025	Green		Reporting: outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)	31/03/1930	Green
Completion of technical design - RIBA Stage 4	31/12/2025	Green				
FBC approved by EJC	28/02/2026	Green				
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)	31/03/2026	Green				

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Unforeseen project complexities that require additional funding	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Provide for contingency</li> <li>Provide Green Book compliant optimism bias allowances</li> <li>Project monitoring will track potential impacts and create ability to respond</li> </ul>	
Programme delay created within wider strategic delivery plan for Ardrossan	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Project team undertaking masterplanning process to identify all project requirements and spatial needs</li> </ul>	
Concept not supported by Partners	4	3	12	Amber	Orange	<ul style="list-style-type: none"> <li>Project team developing a partnership model with leading academic partners and industry</li> <li>Dialogue being progressed around role, responsibilities and funding commitments</li> <li>An MOU has been signed to develop the project definition with University of Stirling</li> </ul>	
Strategic need and consolidation in sector advises Co-Location with wider projects	4	3	12	Amber	Orange	<ul style="list-style-type: none"> <li>Project team developing a partnership model with leading academic partners and industry</li> </ul>	
Concept and Operational Management revised /amended	3	4	12	Amber	Orange	<ul style="list-style-type: none"> <li>Project team developing a partnership model with leading academic partners and industry</li> </ul>	
Project cannot secure necessary consents	4	3	12	Amber	Orange	<ul style="list-style-type: none"> <li>Project team in early dialogue with key regulatory partners and stakeholders to address any concerns</li> </ul>	

## Project Updates – Tourism Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Marine Tourism	Kathleen Dow	Neale McIlvanney
Great Harbour	Kasia Smith	



### Marine Tourism



August

Project Overall Status

2023

Amber

#### Project Update

Project Scope Status	Amber	Project Budget Status	Red
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Monthly update - provide narrative	Project Lead: Kathleen Dow
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Analysis is ongoing to enable a response to the feedback received on the Marine Tourism Programme Business Case and to identify next steps within current cost environment. A draft OBC has been produced for the Cumbrae Project. Investigations with CMAL (ferry provider) at Arran are ongoing. This relates to the Project's impact upon the ferry service at the Brodick Pier site. There are no updates on the Ardrossan Project at this time (Aug).

#### Project Targets


Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	31/12/2023	Green	AGD/O/1 - New Jobs Created (Direct and Indirect)	30	tbc
FBC	30/03/2026	Green	AGD/O/2 - Construction Jobs Created	81	tbc
Cumbrae	30/03/2026	Green	AGD/O/9 - Development Space Unlocked	6 Ha	tbc
Arran	28/02/2026	Green	AGD/O/10 - Reduced and vacant derelict land	0.1 Ha	tbc
Ardrossan	28/02/2027	Green	AGD/O/13 - Increase in visitors (day and night)	100000	tbc

#### Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC approved by Government	31/12/2023	Green	Construction/Project completed and Handover (RIBA Stage 5-6: Construction & Handover)	31/01/2027	Green
Completion of detailed design - RIBA Stage 3	31/12/2024	Green	Operating project (RIBA Stage 7) and reporting	30/07/2027	Green
Completion of technical design - RIBA Stage 4 and issue of tender	30/08/2025	Green			
FBC approved by Joint Committee	30/03/2026	Green			
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)	31/07/2026	Green			

#### Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Changes to capital costs or inappropriately quantified cost provisions or increasing costs that reduce scope of marina projects	5	4	20	Red	Red	<ul style="list-style-type: none"> <li>Detailed technical studies in place to inform design</li> <li>Design team includes a cost consultancy and detailed assessment of contingency and optimism bias is in place</li> <li>Regularly review viability of each project. Consider what is possible within budget.</li> </ul>	Upon PBC approval concluded at OBC - finalised in detailed at FBC
Development agreement and market economy investor principle for Ardrossan fails to secure support	5	4	20	Red	Red	<ul style="list-style-type: none"> <li>Project team taking legal advice in terms of state aid and agreement will based on commercial lease terms required for Ardrossan</li> </ul>	Upon OBC approval concluded at FBC
Site/ground conditions are inadequate to provide cost certainty	5	3	15	Red	Red	<ul style="list-style-type: none"> <li>Full SI/GI and bathy surveys will be undertaken at an early stage in project development</li> </ul>	Upon OBC approval concluded at FBC
Agreement on technical approach to quays/pontoons and land connections cannot be agreed with stakeholders	5	2	10	Yellow	Orange	<ul style="list-style-type: none"> <li>Development of partnership/operator plan. Marketing with partners NPL/NMMS</li> </ul>	Upon OBC approval concluded at FBC
Agreements including Development and Operating Agreements between commercial partners and community interest company cannot be secured	5	2	10	Yellow	Orange	<ul style="list-style-type: none"> <li>North Ayrshire Council seeking to advance formal Development Agreement between NAC/NPL and agree a joint masterplan approach</li> </ul>	Upon OBC approval concluded at FBC

 North Ayrshire Council Creating a Better Future	<h1 style="margin: 0;">Great Harbour</h1>				<b>August</b> <b>2023</b>	<b>Project Overall Status</b> <b>Green</b>		
<b>Project Update</b>								
<b>Project Scope Status</b>		<b>Amber</b>		<b>Project Budget Status</b>		<b>Amber</b>		
<b>Monthly update - provide narrative</b>			<b>Project Lead: Kasia Smith</b>					
<p><b>GREAT HARBOUR MASTERPLAN :</b> To be reported to Planning Committee Oct 25, subject to ELT feedback and Members Briefing – during Sept. Consultation Report documenting public feedback complete and will be made publicly available in due course.</p> <p><b>Coastal Hub (Beach Park area)</b> - Consultants appointed to progress the next phases of design. Recent focus on site investigations, location of utilities and events requirements, which may influence layout.</p> <p><b>Existing Beach Pavillion</b> - Temporary roof repairs on-going. Market Feasibility Study in progress to establish viability of a re-development model with a community hub / restaurant.</p> <p><b>Maritime Mile Public Realm:</b> The preparation to appoint the consultant for the next development phases are progressing. Early work funded by Sustrans on possible active travel options for Maritime Mile as part of wider public realm is on-going.</p> <p><b>Harbour Master's Office</b> - Further notes of interest received from the private F&amp;D operators and also from a social enterprise.</p> <p><b>Maritime Heritage Hub</b> - Updated land based development option agreed with Scottish Maritime Museum.</p>								
<b>Project Targets</b>								
<b>Business Cases</b>		<b>Target date</b>	<b>Status</b>	<b>Benefits Realisation (top 5 deliverables)</b>		<b>Target</b>	<b>Actual</b>	
OBC		25/06/2021	Complete	AGD/O/1 - New Jobs Created (Direct and Indirect)		145	tbc	
FBC		31/03/2024	Green	AGD/O/2 - Construction Jobs Created		99	tbc	
Phase 1 FBC		31/03/2024	Green	AGD/O/9 - Development Space Unlocked		9800 sqm	tbc	
Phase 2 FBC		31/10/2024	Green	AGD/O/10 - Reduced and vacant derelict land		6Ha	tbc	
Phase 3 FBC		31/03/2025	Green	AGD/O/16 - Leverage Funding (incl LA, HE/FE, Private Sector and any other leverage)		£4,000,000.00	tbc	
<b>Progress Update (top priority milestones as per current Implementation Plan)</b>								
<b>Milestone</b>			<b>Due date</b>	<b>Milestone status</b>	<b>Milestone</b>		<b>Due date</b>	<b>Milestone status</b>
FBC approved by Joint Committee			31/03/2024	Green	Statutory Consents		30/06/2024	Green
Completion of detailed design - RIBA Stage 3			31/12/2024	Green	Completion of technical design - RIBA Stage 4		30/05/2024	Green
Construction/Project Start (RIBA Stage 5: Manufacturing & Construction)			15/05/2024	Green	Completion of Construction Tender		31/08/2024	Green
Construction/Project completed and Handover (RIBA Stage 5-6: Construction & Handover)			31/10/2025	Green	Internal sign-off of FBC (NAC Cabinet)		30/09/2024	Green
Reporting: outputs/outcomes/CWB incl AGD Evaluation/Monitoring (RIBA Stage 7: Use)			31/10/2026	Green	FBC update to Joint Committee Phase 2		31/10/2024	Green
<b>Project Risks (top 5 risks and their status will be included in the monthly report)</b>							<b>Target Closure Date</b>	
<b>Risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Score</b>	<b>AGD Status</b>	<b>SG Status</b>	<b>Mitigation Action</b>	<b>(dd/mm/yyyy)</b>	
Increase in capital costs associated with changing scope or inappropriately quantified cost provisions	5	3	15	<span style="background-color: red; color: white;"> </span>	<span style="background-color: red; color: white;"> </span>	<ul style="list-style-type: none"> <li>Cost estimates based on current market</li> <li>Detailed technical studies to inform design and a fully detailed/Itemised cost plan</li> <li>Project management established to monitor costs</li> <li>Optimism bias built into costings</li> <li>Future design team to include cost consultancy</li> <li>Additional internal and external funding bias</li> </ul>		
Economic downturn as a result of Covid-19	3	3	9	<span style="background-color: orange;"> </span>	<span style="background-color: green; color: white;"> </span>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>Continue economic analysis and development of recovery plans will be implemented</li> <li>Robust project scoping should continue to ensure the facility meets needs</li> </ul>		
Project outcomes, including inclusive growth and reducing inequalities, fail to be delivered	4	2	8	<span style="background-color: orange;"> </span>	<span style="background-color: green; color: white;"> </span>	<ul style="list-style-type: none"> <li>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</li> </ul>		
Technical approach to quays/pontoons and land connections cannot be agreed with key stakeholders	4	2	8	<span style="background-color: orange;"> </span>	<span style="background-color: green; color: white;"> </span>	<ul style="list-style-type: none"> <li>Development of Partnership/Operator Plan and detailed GANTT Programme ensuring programme allows time for engagement and approvals</li> <li>PIIP route minimises risks and ensures full engagement with statutory bodies and community</li> <li>NAC in discussion with Harbour Authority</li> <li>Development Briefs drafted for Great Harbour</li> </ul>		
Consensus across partners, stakeholders, community bodies or regulatory/consenting authorities not secured	5	2	5	<span style="background-color: orange;"> </span>	<span style="background-color: green; color: white;"> </span>	<ul style="list-style-type: none"> <li>North Ayrshire Council have completed a formal Partnership Agreement between NAC/NPL and agree a joint masterplan approach</li> <li>Develop a Development Agreement to frame commercial/operational detail around investment</li> <li>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</li> </ul>		

## Project Updates – Digital Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Digital Infrastructure & Sub Sea Cable (TBC)	Simon Yeardley	Louise Reid



**Project Update**

<b>Project Scope Status</b>	Red	<b>Project Budget Status</b>	Green
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Monthly update - provide narrative Project Lead: Simon Yeardeley

Subsea Cable and Infill projects re-scoping activity reaching conclusion - Completion of regional thematic survey has provided an overview of digital connectivity needs of key AGD industries and SME businesses to allow completion of scope option 5a. Review undertaken by partner authorities to identify digital needs of capital projects and projects at risk due to budget and cost constraints and support scope completion for option 5b. Scope documents 5a and 5b have been drafted with input from Lead Authorities; AGD PMO and stakeholders and will be presented to both the PB and AJEC for evaluation in September and October respectively.

**Project Targets**

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	tbc	under rescope	AGD/O/1 - New Jobs Created (Direct and Indirect)	tbc	tbc
FBC	tbc	under rescope	AGD/O/2 - Construction Jobs Created	tbc	tbc
Phases	Target date		AGD/OT/1 - Job levels (new and maintained)	tbc	tbc
Phases	Target date		AGD/OT/3 - Digital Usage patterns	tbc	tbc
Phases	Target date		AGD/OT/7 - Additional investment (incl Foreign Direct Investment)	tbc	tbc

**Progress Update (top priority milestones as per current Implementation Plan)**

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Report on Re-scope exercise to Partnership Board	27/04/2023	Complete			
Joint Committee approve re-scope of project	22/05/2023	Complete			
change management process applied	30/11/2023	Green			
Project Completion	30/09/2026	Amber			

**Project Risks (top 5 risks and their status will be included in the monthly report)**

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Cost overruns	5	5	25	High	High	<ul style="list-style-type: none"> <li>Rescoping exercise will consider options that can be delivered within budget</li> <li>Robust contract management in place</li> <li>Appropriate procurement procedures followed and optimism bias built into business case</li> </ul>	30/10/2023
Failure to reach consensus on project re-scope option	5	2	10	Medium	Medium	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Approvals sought via established AGD governance</li> </ul>	30/10/2023
Resource availability	3	2	6	Medium	Low	<ul style="list-style-type: none"> <li>Effective deployment of resource to support delivery of the project</li> </ul>	30/09/2026

## Project Updates – Regional Skills & Inclusion Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Ayrshire Skills Investment Fund	Laura Neill	Neale McIlvanney
Working for Healthy Economy		



Ayrshire Skills Investment Fund



August

Project Overall Status

2023

Amber

Project Update

Project Scope Status	Amber	Project Budget Status	Green
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Monthly update - provide narrative Project Lead: Laura Neill

The Ayrshire Skills Investment Fund OBC has been approved by the Scottish Government.  
The FBC has been submitted to be endorsed by SG. The FBC was approved by the Ayrshire Economic Joint Committee in August 2023.

Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	30/04/2023	Green	No of people benefiting from in work skills development	500	tbc
FBC	30/06/2023	Amber	No of people benefiting from pre-employment upsills	500	tbc
			People benefiting from accredited training	300	tbc
			No of businesses benefiting from employees with improved skills levels	300	tbc
			No of participants progressing to living wage opportunities	200	tbc

Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
OBC approved by Government	30/04/2023	Green	1st annual review	30/06/2024	Green
FBC endorsed by Government	15/05/2023	Red	complete mid-programme evaluation	31/03/2025	Green
FBC approved by Joint Committee	30/06/2023	Green	End of programme/final drawdown	31/03/2027	Green
Development of guidance for fund applicants	30/06/2023	Amber	quarterly application deadlines		Green
1st call for proposals	01/07/2023	Amber			

Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Project delays due to Covid-19	5	5	25	Red	Red	<ul style="list-style-type: none"> <li>Early analysis identifies that the need for this project may be greater as a result of Covid-19</li> <li>Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs</li> </ul>	
Programme does not secure sufficient partner buy in to ensure an effective set of interventions are designed and funded	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Early establishment of Regional Skills Board with strategic oversight</li> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> </ul>	
Failure to deliver anticipated impacts across the region in terms of Inclusive Growth	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> <li>The partnership will conduct a mid-programme evaluation to check the direction of travel is still correct</li> </ul>	
Disadvantaged residents do not see tangible benefits from projects	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Applicants to the fund will be required to detail how delivery against inclusion targets will be assured</li> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> </ul>	
Inadequate project management results in failure to delivery agreed outcomes	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>The Regional Skills Board will provide expert advice on what should be supported through the fund</li> <li>Adopt programme and project management best practice</li> <li>These arrangements will be reviewed on an annual basis to ensure they remain fit for purpose</li> <li>The Steering Group will conduct a mid-programme evaluation and adjust project activity as appropriate</li> </ul>	



Project Update

Project Scope Status	Green	Project Budget Status	Green
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Monthly update - provide narrative	Project Lead: Laura Neill
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We continue to monitor progress to ensure effective delivery across Ayrshire. Working for a Healthy Economy continues to be delivered across Ayrshire to help individuals manage and improve their health to progress to or sustain employment. In July 2023 the following individuals were supported:

- 42 individuals were supported in July 2023
- Of the individuals completing the services to date there has been a 26.8% improvement in overall health and wellbeing
- On measuring anxiety, a 35.9% improvement in anxiety levels has been achieved
- Depression levels experienced have improved by 45.3%

We continue to monitor progress to ensure effective delivery across Ayrshire. A range of events and ongoing promotional activities has been undertaken to achieve the figures reported above.

Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	19/02/2021	Complete	No of people accessing assessment & report	960	tbc
FBC	22/02/2021	Complete	No of people accessing full management support via telephone	1600	936
			No of people accessing full case management support delivered face to face	3838	282
			No of people returning to work	1157	77
			Unemployed residents supported	4629	tbc

Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Evaluation commences	30/06/2022	Green	End of programme/final drawdown	31/03/2027	Green
Year 3 targets achieved	31/03/2024	Green			
Year 4 targets achieved	31/03/2025	Green			
Year 5 targets achieved	31/03/2026	Green			
Year 6 targets achieved	31/03/2027	Green			

Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Implementation: Over demand or lack of demand	5	5	25	Red	Red	<ul style="list-style-type: none"> <li>Proposed targets are based on delivery experience across Scotland and the experience of delivering a case management service in North Ayrshire recently</li> <li>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</li> <li>Project Board has discussed geographical disparity between geographies and agreed mitigation action. Agreed to review again in October.</li> </ul>	
Project delay and macro-economic impact of Covid-19 and recovery	5	5	25	Red	Red	<ul style="list-style-type: none"> <li>Early analysis identifies that the need for the project is unlikely to be diminished – in fact may be greater</li> <li>Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure proposal meets needs</li> </ul>	
Unforeseen complexities that require additional funding	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Provide for contingency</li> <li>Provide Green Book compliant optimism bias allowances</li> <li>Similar project has been delivered previously</li> <li>Project monitoring will track potential impacts and create ability to respond</li> </ul>	
National programmes are introduced which result in duplication	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>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.</li> </ul>	
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.	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>	
Implementation: End of project 'cliff edge'	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Would hope to influence the national policy around occupational health services, as a legacy of the programme</li> </ul>	
Appointed contractor could be impacted negatively by Covid-19	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>As part of procurement process, robust checks have been made on financial standing of delivery organisations</li> </ul>	

## Project Updates – Community Wealth Building Programme 25 August 2023



Project Name	Project Lead	Senior Responsible Officer
Community Wealth Building	Emma McMullen	Neale McIlvanney



### Community Wealth Building



August

Project Overall Status

2023

Amber

#### Project Update

<b>Project Scope Status</b>	Green	<b>Project Budget Status</b>	Green
<b>Monthly update - provide narrative</b>		<b>Project Lead: Emma McMullen</b>	

The programme is progressing well having now supported over 800 enterprises in the Ayrshire region. In addition to daily delivery of key programme outputs, focus is on hosting the next pan-Ayrshire CWB event to be hosted in South Ayrshire on the 27th of September as well as a Meet the Buyer event hosted in East Ayrshire during the Ayrshire Chamber business week. Looking forward, the programme is exploring options beyond March 2024 to ideally enable continued delivery of outputs and a streamlined approach to CWB through enterprise support in Ayrshire.

#### Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)		Target	Actual
OBC	12/02/2021	Complete	CWB Officers & Action Plans in place - creation of CWB Locality Baselines		15	
FBC	22/02/2021	Complete	Total enterprises engaged		920	847
			Employers undertaking Fair Work Action Plans		90	tbc
			Enterprises receiving financial assistance		265	265
			New enterprises supported		96	107

#### Progress Update (top priority milestones as per current Implementation Plan)

Milestone	Due date	Milestone status	Milestone	Due date	Milestone status
Fair work inspiration week (incl RLW & Disability Awareness)	30/11/2023	Green	Ayrshire CWB Enterprise Awards & Programme Achievements celebration	30/04/2024	Green
Fair work job fair	28/02/2023	Green	Monthly Programme Steering Group Meetings	31/03/2024	Green
500 Ayrshire enterprises supported by the CWB programme	31/03/2023	Green	Reporting to PMO, Ayrshire REP & EJC members	31/03/2024	Green
Programme case study showcase - SG visits	31/05/2023	Green	Annual report	31/03/2024	Green
1000 Ayrshire enterprises supported by the CWB & FWA programme	31/03/2024	Green	Project end date/final review/final report/final drawdown	31/03/2024	Green

#### Project Risks (top 5 risks and their status will be included in the monthly report)

Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action	Target Closure Date (dd/mm/yyyy)
Project delays due to Covid-19	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Early analysis identifies that the need for this project may be greater as a result of Covid-19</li> <li>Continued economic analysis and development of recovery plans should be implemented and robust project scoping should continue to ensure the proposal meets needs</li> </ul>	
Programme does not secure sufficient partner buy in to ensure an effective set of interventions are designed and funded	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Early establishment of Regional Skills Board with strategic oversight</li> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> </ul>	
Failure to deliver anticipated impacts across the region in terms of Inclusive Growth	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> <li>The partnership will conduct a mid-programme evaluation to check the direction of travel is still correct</li> </ul>	
Disadvantaged residents do not see tangible benefits from projects	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>Applicants to the fund will be required to detail how delivery against inclusion targets will be assured</li> <li>Quarterly progress reports and annual review will inform decision making processes</li> <li>The Skills Fund will issue calls for proposals meaning priorities can be adapted to ensure strategic fit and satisfactory progress</li> </ul>	
Inadequate project management results in failure to delivery agreed outcomes	1	1	1	Green	Green	<ul style="list-style-type: none"> <li>The Regional Skills Board will provide expert advice on what should be supported through the fund</li> <li>Adopt programme and project management best practice</li> <li>These arrangements will be reviewed on an annual basis to ensure they remain fit for purpose</li> <li>The Steering Group will conduct a mid-programme evaluation and adjust project activity as appropriate</li> </ul>	