

PROGRESS REPORT TO EXECUTIVE OVERSIGHT GROUP

Reporting Period:	Sector-Based Support Group: Food and Drink
	Group Lead: Alastair Dobson

Group Objective	Guidelines	Milestone RAG Status
Support the economic recovery and renewal of the above sector, with Community Wealth Building at the heart, in response to the profound and unprecedented impact of Covid-19 Pandemic on the economy.	Milestone completed	
	On target	
	Minor delays up to one month	
	Delays greater than one month	

Key Milestones/Deliverables (e.g. establish group membership, communications plan agreed & by whom, strategic resources plan agreed & by whom)	Due Date	RAG Status
Establishment of Virtual Team, including terms of reference and regular schedule of meetings	Sept 2020	
Sector Recovery & Renewal Action Plan produced and agreed by Regional Economic Partnership	29 January 2021	

Key Actions - update on activity:
<p>1. Since the last reporting period, what development has taken place in terms of a recovery and renewal plan for the above sector?</p> <p>A virtual team, consisting of officers from a range of organisations, including the three Ayrshire Councils, Taste of Arran, Arran's Food Journey and Ayrshire Food Network, has been established and is meeting regularly. This Team is currently developing an output-based recovery and renewal plan, a draft of which is scheduled to be considered by the Regional Economic Partnership on 29 January 2021.</p> <p>This plan is based on the themes emerging from SFD's recovery plan, including stimulating demand in key markets and supporting businesses. The SFD objectives have been mapped to activity already taking in Ayrshire as well as local and national strategies, and some early work has taken place to identify gaps and opportunities. Community wealth building pillars will be considered within each strategic action.</p> <p>Food tourism will be at the heart of the recovery plan to drive community and business recovery.</p>
<p>2. Since the last reporting period, what quantitative and qualitative information has the group identified, collated & interpreted with regard to the impact of Covid-19 on the sector?</p>

The Group has carried out a baselining exercise, which includes detailed information on the food and drink sector. This information is taken from a range of official datasets, including, most notably, the recently published Scottish Government statistics on its key growth sectors. Moving forward, the provision of this baselining information will allow us to monitor trends in terms of employment, the company base, and turnover and so on.

The Group is reviewing the contents of the Ayrshire-wide company database (food and drink businesses). It is apparent that there are a number of gaps in terms of company details, and it will be important to fill these so that we have access to up to date and accurate information. This issue is particularly acute in terms of the farming sector, and dialogue will be opened up with the NFU and other local farming representatives.

Data has been identified from PACE (Partnership Action for Continued Employment) which demonstrates that there have been 215 redundancies notified to them in the Ayrshire food and drink sector between April and October 2020.

3. Since the last reporting period, what support has been provided to the sector in terms of a response to the pandemic?

Leading figures in the industry have been providing assistance to businesses. Companies have also been able to take advantage of free support available from a range of organisations, including My Hospitality Partners, Productivity Club Scotland and the Chamber of Commerce. There has also been many discussions with Scotland Food and Drink, Food and Drink Federation and other critical partners to ensure the best possible advice and support is being delivered at business level.

4. Since the last reporting period, what actions have been identified and/or implemented to support recovery and renewal within the sector, including financial implications of measures proposed?

As the agencies responsible for the local administration and processing of the new business support schemes put in place by the Scottish Government, the three Councils mobilised quickly to put in place new online application mechanisms. Many food and drink companies have benefitted from funding support from one or more of these schemes which are being extended into the first quarter of 2021.

The group have identified a number of areas where businesses require additional support and consideration is being given to running training/webinars on topics including commerciality, packaging and manufacturing efficiencies.

5. Since the last reporting period, what collaborative work has taken place with the other sector-based recovery and renewal groups to ensure a joined-up approach?

Two new Food Tourism Co-ordinator posts have been recruited. Both post holders have joined the Virtual Recovery Team. One officer is based on the Ayrshire mainland and the other is based on Arran, both working collaboratively. They are developing close links with the Sustainable Tourism group and taking some of the lead with other stakeholders. The two officers are delivering activities that will contribute to the strategic aims of the Regional Partnership and will attempt to drive change at a local community and economic level that will, in turn, contribute to the national food and drink sector's recovery.

Close links are also being developed with the Clean Growth group, as we seek to ensure that our recovery is based on principles of sustainable development, enabling moves towards decarbonisation. Additionally, further development

	<p>opportunities are being progressed with the Skills Group to identify skills gaps and set out a career path for school pupils to develop careers in food and drink manufacturing.</p>
<p>6. What engagement has taken place since the last reporting period with local businesses and the wider community, and what support has been realised from this?</p>	<p>Representatives of the group are continuously liaising with local businesses and providing referral back to appropriate Business Support Teams at each Council. A very successful example of this was a business who had to completely reinvent their business model due to COVID and start distributing direct to the customer rather than wholesaling their product to coffee shops/retail outlets. They were experiencing issues with sourcing suitable packaging; however, after receiving Innovation Support they were able to source sustainable packaging in line with the ethos of their business which was at an affordable price point allowing them to expand and grow the business when otherwise they would have closed.</p> <p>AMIC Project: an ‘ambition-setting’ session took place in November. There was a good turnout from local food and drink businesses and a number of topics, including labelling, technical support and management development were raised.</p> <p>Further engagement sessions for AMIC are scheduled on 26 January for micro/small businesses and on 23 February with the agricultural sector.</p> <p>It has been identified during initial engagement sessions, that even more than ever, engagement and meaningful consultation with businesses and communities will help define and drive future opportunities and ensure best possible co-production, co-delivery and co-investment.</p>
<p>7. Since the last reporting period, what work has been identified or undertaken that has linkage with / impact on the Ayrshire Growth Deal?</p>	<p>Our work is closely aligned to the Ayrshire Growth Deal. AMIC is one of the keynote projects within the AGD, and our Virtual Team includes members of the AMIC project team, who will lead on the development of the Food and Drink Centre of Excellence.</p> <p>All activity will consider and ensure linkages across all appropriate Ayrshire Growth Deal projects.</p>
<p>8. What work has been identified or undertaken since the last reporting period that has an impact on climate change?</p>	<p>The Group has been in contact with Zero Waste Scotland (ZWS) in relation to a range of issues, including sustainable packaging. ZWS recognises that the cost of sustainable packaging can be prohibitive for many businesses, and are setting up a taskforce to address this issue. A webinar will take place to discuss this issue with them in more detail.</p>
<p>9. What work has been identified or undertaken since the last reporting period that has an impact on skills and training within the sector?</p>	<p>As part of the AMIC Project, officers are giving consideration to skills and training opportunities in the sector for the medium to long term and have had initial discussions with the Project Lead for the AGD Skills and Inclusion projects. These discussions are key to ensuring that businesses have access to suitably qualified staff to sustain and grow their businesses.</p>

AMIC project officers have had initial discussions with Ayrshire College and UWS. These discussions will be expanded and progressed along with the Food Tourism Co-ordinators.

Food tourism co-ordinators have had initial discussions with Ayrshire and Argyll Colleges.

10. What work has been identified or undertaken since the last reporting period that has an impact on digital infrastructure within the sector?

Officers from East Ayrshire Council have supported the development and submission of A Strength In Places funding application for a Digital Dairy Value Chain. A letter of support has been submitted on behalf of the three Ayrshire Council's. The application is for £1.02 million in capital funding and £20.3 million in revenue funding, which will be used to develop a world-class research, innovation, business and skills platform to establish the South West Scotland and Cumbria region as a leader in advanced, sustainable and high-value dairy manufacturing. Announcements of the successful bids will be made on 30 April 2021.

11. What work has been identified or undertaken since the last reporting period that has an impact on business support for the sector?

UK's exit from the European Union: all local food and drink importers and exporters have had access to one to one support from Scottish Enterprise and Highlands and Islands Enterprise.

12. What work has been identified or undertaken since the last reporting period that has linkage with / impact on Community Wealth Building?

The Group is working closely with local producers to identify opportunities to develop new supply chains in a range of areas, including red meat, poultry and cheeses.

The three Councils are looking at how their procurement activities can be used to maximise community wealth building opportunities. A meeting is to be set up to develop this further, involving the Group Lead, council procurement and economic development managers.

What issues have been identified since the last reporting period?

What mitigating actions have been taken/considered to overcome these issues?

Track and Trace. There have been isolated incidents in recent times involving local bars and restaurants. Whilst the majority of premises have put in place the correct protocols, it is clear that others have not.

The three Councils continue to monitor the situation and use their enforcement powers to compliance monitor businesses where necessary. The Chamber of Commerce is offering businesses a free data system to track everyone who enters their premises.

What actions/support/resources/decisions are required by the Executive Oversight Group or the Ayrshire Economic Partnership Board?

N/A

