

**South Ayrshire Council**

**Report by Director of Strategic Change and Communities  
to Cabinet  
of 14 February 2024**

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**Subject: Ayrshire Growth Deal - Programme Review**

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**1. Purpose**

1.1 The purpose of this report is to provide an update on the Ayrshire Growth Deal (AGD) Space and Aerospace projects and; the AGD regional programme review.

**2. Recommendation**

**2.1 It is recommended that the Cabinet:**

**2.1.1 notes the current status of projects within the Ayrshire Growth Deal Space and Aerospace programme as submitted to the Ayrshire Economic Joint Committee (AEJC) at Appendix 1 and as detailed in section 3;**

**2.1.2 notes the scope and remit of the AGD regional programme review and timetable as agreed with Scottish and UK Governments at 3.2, 3.3 and 3.4;**

**2.1.3 agrees that approximately £4m from the de-scoped Subsea Cable Infrastructure and Infill projects are proposed allocated to the ASTAC project to enable its delivery (subject to further approvals by the AEJC);**

**2.1.4 agrees that following any decision by the AEJC to de-scope projects or re-prioritise spend across the AGD programme, that the SAC AGD Steering Group, chaired by the Chief Executive, develop alternative proposals for utilising any available funds; and;**

**2.1.5 notes that further updates will be brought forward to Cabinet as necessary and every 6 months or earlier if required.**

**3. Background**

3.1 South Ayrshire Council are the Lead Authority for the Ayrshire Growth Deal Space and Aerospace programme: a capital programme comprising Spaceport; Commercial Build (Project A); Prestwick Roads; and the Aerospace, Space and Technology Applications Centre (ASTAC) projects. South Ayrshire Council are also Lead Authority for the regional Subsea Cable Infrastructure and Infill projects. The most recent status summary update and RAG report is provided at Appendix 1.

- 3.2 On 3 October 2023, a round table meeting was held in Kilmarnock with each of the lead Ayrshire Growth Deal Authorities (North, South and East Ayrshire Councils) and senior officials from UK and Scottish Government Growth Deal Units. The respective Chief Executives, Section 95 Officers and AGD Senior Responsible Owners (SRO's) provided an update on the projects and presented common issues and challenges in moving projects from business case development to delivery in light of inflationary rises, costs increases, market changes and other pressures which have impacted across the programme.
- 3.3 It was agreed at the meeting that due to the extent some of the projects had slipped or changed, that a programme review would be carried out and an updated programme proposed that enables the funding investment to be drawn down and economic benefits realised. As part of the review, each Lead Authority has submitted a 'Strawman' for each project: a document highlighting any deliverability issues and proposed future activity.
- 3.4 Significant changes to projects require to be approved by regional partners with final regional partner approval targeted for the Ayrshire Economic Joint Committee meeting scheduled for 20th May 2024.
- 3.5 The AGD PMO have developed a 'Funds Allocation Criteria' and process to be applied where there is the opportunity to re-apportion amongst projects any AGD funds that become available, subject to eligibility criteria set out in the Deal Terms and Grant Offer.
- 3.6 *Spaceport* – A confidential report is being provided to the Ayrshire Economic Joint Committee on 19 February 2024.
- 3.7 *Commercial Build (Project A)* - A separate confidential update on the Commercial Build project is being provided to Cabinet on 14 February 2024.
- 3.8 *Prestwick Roads* – An update on the Roads project was provided to Cabinet on 28 November 2023. Timescales for delivery have slipped due to requirements in undertaking the Scottish Transport Appraisal Guidance (STAG) process and delay in approving the Local Development Plan (LDP) 2. A further report will be submitted to Cabinet which will contain a revised programme once Transport Scotland approval has been obtained for the LDP2. Development of Outline and Full Business Cases are dependent on approval of the STAG - which is expected in June 2024 - as well as a compliant transport case for each proposed phase.
- 3.9 *Aerospace and Space Technology Applications Centre (ASTAC)* - In May 2023, the Cabinet approved a review of the ASTAC project delivery model and milestones. Work has been taken forward by the Assistant Director – Communities to develop the proposed operating model with partners, identify a suitable site for the development and to inform specifications for the build and likely construction costs. Submission of an Outline Business Case is forecast for April 2024. The project is projecting to be £4m over budget, mainly due to inflationary rises and increased construction costs, and cannot progress if cost overruns are not met.
- 3.10/

- 3.10 *Subsea Cable Infrastructure and Infill projects* - On 20 November 2023 at a meeting of the Ayrshire Economic Joint Committee, the AEJC agreed that the regional Subsea Cable Infrastructure and Infill projects be de-scoped from the programme and a new scope 'Building Digital Capital' agreed - effectively a re-apportioning of the available funds of £13.8m to support in train AGD capital projects. It was agreed by the AEJC that the re-allocation of the funds will be agreed by the regional partners by April 2024.

## **4. Proposals**

4.1 The Cabinet is asked to:

- 4.1.1 note the current status of projects within the Ayrshire Growth Deal Space and Aerospace programme as shown at Appendix 1 and detailed in section 3 of this report;
- 4.1.2 note the scope and remit of the regional AGD Programme review, approval process and timescales for decision making as agreed with Scottish and UK Governments;
- 4.1.3 agree that approximately £4m from the de-scoped Subsea Cable Infrastructure and Infill projects are proposed allocated to the ASTAC project to enable its delivery (subject to further approvals by the AEJC and government);
- 4.1.4 agree that following any decision by the AEJC to de-scope or re-prioritise spend across the AGD programme, that the SAC AGD Steering Group, Chaired by the Chief Executive, develop alternative proposals for utilising any available AGD funds. Change proposals will be subject to AGD governance protocols and may require Ministerial approval; and
- 4.1.5 to note that further updates will be brought forward to Cabinet as necessary and every 6 months or earlier if required.

## **5. Legal and Procurement Implications**

5.1 There are no legal or procurement implications.

## **6. Financial Implications**

- 6.1 Where projects are de-scoped from the AGD programme, the Government Growth Deal Unit have confirmed funds can be re-distributed across the Deal or allocated to alternative proposals, provided there is justification. The PMO have developed a Funds Allocation Process for re-apportioning funds. Any re-allocation of funds requires the approval of Government/s.
- 6.2 The table overleaf provides information on the finance packages for the SAC projects:

	<b>AGD project</b>	<b>Stage of project</b>	<b>AGD allocation</b>	<b>Actual expenditure to P9 as at 03.01.24</b>	<b>AGD funds claimed as at 03.01.24</b>
1.	Spaceport	OBC development	<b>£23m</b> (£18m UKGov; £5m SG)	£3,206,278	0
2.	Commercial Build A	Implementation	<b>£29m</b> (£12m SG; £10m UKGov; £7m SAC)	£2,406,706	£1,544,605
3.	ASTAC	OBC development	<b>£11m</b> (£6m SAC; £4m UKGov; £1m SG)	£727,014	0
4.	Roads	OBC development	<b>£17m</b> (£12m SG; £5m SAC)	£495,424	0
5.	Subsea Cable and Infill (combined)	Re-scoped	<b>£14m</b> (£11m UKGov; £3m SG)	£105,820 (£135,596 committed to 31 March 2024)	0

\*Commercial Build A budget also includes £37,854,044 contribution from Scottish Enterprise and approx. £44m requirement from the commercial operator.

6.3 The AGD Grant Offer confirms funds incurred at risk by Councils in developing projects are only confirmed as eligible AGD project costs upon approval of a Full Business Case. Government have not confirmed whether funds incurred by the Council in developing a business case for projects that do not proceed, will be reimbursed from AGD funds.

6.4 Approximately £4m will be sought from the de-scoped Subsea Cable and Infill project funds to meet cost overruns for the ASTAC project, which would increase the projects total AGD allocation to £15m.

## **7. Human Resources Implications**

7.1 There are no human resources implications.

## **8. Risk**

### **8.1 Risk Implications of Adopting the Recommendations**

8.1.1 A Programme Risk register is in place for the Space and Aerospace programme and risks managed in accordance with the Risk Management Strategy for the Ayrshire Growth Deal.

8.1.2 Further spend on development work undertaken by SAC or its contractors on the Roads and ASTAC projects is at risk until approval of the respective Full Business Cases. Where the FBC is not approved, any spend relating

to that project is considered abortive and SAC will incur the full costs, unless confirmed otherwise by Government ministers.

## 8.2 ***Risk Implications of Rejecting the Recommendations***

8.2.1 There is a risk that if the recommendations are rejected the Council will fail to deliver the aspirations of the AGD programme and economic benefits will not be realised.

8.2.2 Not proceeding to progress the AGD projects insofar as possible may impact on the reputation of the Council as a Lead Authority and partner under the AGD Heads of Terms.

## 9. **Equalities**

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 2.

## 10. **Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - The proposals in this report do not represent a qualifying plan, programme, policy or strategy for consideration for SEA. There exists therefore no obligation to contact the Scottish Government Gateway and no further action is necessary. An SEA has not been undertaken.

## 11. **Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## 12. **Link to Council Plan**

12.1 The matters referred to in this report contribute to Priority 2 of the Council Plan: Live/ Work/ Learn - Work and Economy – Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish.

## 13. **Results of Consultation**

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Martin Dowey, Portfolio Holder for Corporate and Strategic and Councillor Bob Pollock, Portfolio Holder for Economic Development, and the contents of this report reflect any feedback provided.

## 14. **Next Steps for Decision Tracking**

14.1 If the recommendations above are approved by Members, the Director of Strategic Change and Communities will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<b>Implementation</b>	<b>Due date</b>	<b>Managed by</b>
Develop proposals for utilising any re-prioritised AGD funds	30 April 2024	AGD Steering Group
AGD change proposals presented to the Ayrshire Economic Joint Committee	20 May 2024	Regional AGD PMO
Further update to Cabinet on AGD projects	31 August 2024	Assistant Director – Strategic Change

**Background Papers**    **Report to Cabinet of 30 August 2022 - [Ayrshire Growth Deal Aerospace and Space Programme - Update](#)**

**Report to Cabinet of 15 February 2023 – Ayrshire Growth Deal Update (Members only)**

**Report to Cabinet of 29 August 2023 – Ayrshire Growth Deal Update (Members only)**

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**Date: 5 February 2024**

**Project Updates – Space and Aerospace Programme 15 December 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	



### Aerospace and Space Technology Application Centre



Dec	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: George Hunter

Meeting held with Consultant/Ayrshire College (AC) to establish spatial requirements required for part 147 delivery and ASTAC. Review of AC draft commercial Operational Plan for Part 147 Training. Understanding the AC/ Scottish Aviation Institute concept and capacity to sit alongside/complimentary with ASTAC. Review with GPA on Heads of Terms and Options for ASTAC space. Meeting held between SAC/AC to review and confirm site location for Pt 147 would be Hanger 457 and the surrounding area. Established Delta warehouse 2D as a potential site for workshop space. Meeting Alastair Heron (AC) to review /value engineer spatial requirements. MS Teams call Anne Campbell (AC) GPA agreed to provide this and HoT's for the area's identified. GPA provided HoT's for lease (bldgs./land/car park) information on 9th Nov. Meeting Sharon Driver (AC) to review Part 147 AC Approvals reporting to Business, Resources & Infrastructure (BRIC) Committee (Nov 21st). Email correspondence AC/GPA. LUF R3 Announcement re MTO/Hangar Facilities (20 Nov). Review impact/implications training/ASTAC. Next Steps include review further options re reallocation of LUF R3 financing and set out the proposition for ASTAC/SAI to AC and then GPA/AC and seek partner support around co-located proposition. If supported present a revised ASTAC strategy to PMO / AGD Team and Cabinet early 2024.

#### Project Targets

Business Cases	Target date	Status	Benefits Realisation (top 5 deliverables)	Target	Actual
OBC	01/12/2023	Red	AGD/O/1 - New Jobs Created (Direct and Indirect)	tbc	tbc
FBC	02/08/2024	Amber	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	Red	Completion of Phase 2	30/10/2029	Amber
Develop local partnership delivery model	01/12/2023	Green	Final financial drawdown	31/03/2030	Amber
Complete final project design and procurement documentation	02/08/2024	Amber			
FBC approved by Joint Committee	02/08/2024	Amber			
Hand-over (Phase 1) to operational organisation	23/10/2026	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)
A Viable and Sustainable Operational Funding (OPEX) model not achieved	5	4	20	Red	Red	<ul style="list-style-type: none"> <li>Review existing models (UK- HIE/Perth College)</li> <li>Consultation Scottish Funding Council on academic funding support (OPEX)</li> <li>Consultation and developing model with Ayrshire College</li> </ul>	31/01/2024
Site for the ASTAC Facility not secured within GPA Estate offering airside access/scale/offside access on acceptable terms	5	4	20	Red	Red	<ul style="list-style-type: none"> <li>Secure early dialogue with Glasgow Prestwick Airport. Identify ASTAC spatial needs. Review options. Develop a conceptual Plan for ASTAC campus</li> </ul>	31/01/2024
ASTAC capital costs (CAPEX) exceed ASTAC approved budgets and other funding not available	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Complete early assessment of CAPEX costs and Prestwick build costs. Ensure adequate OB provision. Make allowances for fees/legals inflation</li> </ul>	31/01/2024
Securing agreements and approvals requires additional time and programme delayed	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Develop Programme with Steering Group. Align SAC and AC resources. Secure early SAC agreements and internal reporting</li> </ul>	31/01/2024
GPA lease costs not affordable within AC business case.	5	3	15	Red	Red	<ul style="list-style-type: none"> <li>Review with AC/Development of OBC and confirmation of costs/affordability</li> </ul>	31/01/2024



South Ayrshire Council		Spaceport Infrastructure				AYRSHIRE GROWTH DEAL		Dec 2023	Project Overall Status
<b>Project Update</b>									
Project Scope Status				Green	Project Budget Status				Red
Monthly update - provide narrative				Project Lead: Derek Yuille					
<p>There are 16 risks rated 15 and above on the risk register, receiving a red status, and there are 21 live issues recorded on the issue log. 12. It was confirmed by both Scottish and UK Governments on 25th October 2023, that given the extent the current project and deliverables deviate from the OBC approved in November 2022, there is the requirement for the Lead Authority to submit a revised OBC for approval before an FBC can be considered. The impact of this on the programme and costs is considerable. SAC are taking a report to Partnership Board on 4 December 2023 to highlight the risks and issues and ask partners to consider the feasibility of the spaceport project and if it offers value for money under the terms of the Ayrshire Growth Deal.</p>									
<b>Project Targets</b>									
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	
<b>Progress Update (top priority milestones as per current Implementation Plan)</b>									
Milestone	Due date	Milestone status	Milestone	Due date	Milestone status				
RIBA Stage 3	30/04/2023	Red	Airspace change agreed	31/03/2024	Red				
Heads of Terms agreed to purchase land	20/06/2023	Red	LSO/LSR/Range Licence requirements for first launch	30/11/2024	Red				
FBC approved by Joint Committee	30/09/2023	Red	Spaceport infrastructure complete	30/11/2024	Red				
Construction Start	01/11/2023	Red	First Commercial Launch	31/01/2025	Red				
Safety Case	31/03/2024	Red	Full project completed/final drawdown	31/03/2026	Red				
<b>Project Risks (top 5 risks and their status will be included in the monthly report)</b>								Target Closure Date (dd/mm/yyyy)	
Risk	Impact	Likelihood	Score	AGD Status	SG Status	Mitigation Action			
Risk that project does not comply with new subsidy control rules	5	5	25	Red	Red	The Council and SE will require to obtain legal advice from a subsidy control perspective on any proposed arrangements	29/03/2024		
Requirement from Scottish Government to redraft original OBC due to increases in costs and delivery model	5	5	25	Red	Red	Discussion with delivery partners to identify ownership of work and who will cover the additional costs	29/03/2024		
Failure to agree operating arrangement for Spaceport	5	5	25	Red	Red	Avison Young have proposed Spaceport leasing and operating proposals for SAC and the Spaceport Launch Service Operator Glasgow Prestwick Airport, however an agreement has yet to be reached that complies with AGD capital funding requirements, local authority operating legislation and that mitigates any financial and legal risks the Council may be exposed to where the Council has ongoing responsibility for the Spaceport asset.	31/12/2023		
Failure to obtain FBC approval	5	5	25	Red	Red	A Full Business Case for the Spaceport requires the following to be in place: i) an agreement or Heads of Terms over the land with confirmed budget source, ii) a costed deliverable infrastructure scheme with budget in place and iii) an agreement or Heads of Terms on the operating arrangement for the asset between the proposed owner of the asset, and the Launch Service Operator (LSO) Glasgow Prestwick Operator	31/12/2023		
The model SE use to acquire land for spaceport may require a lease arrangement with SAC.	5	5	25	Red	Red	The land acquisition/lease payments are not funded by AGD and the Council are not in a position to enter any borrowing arrangements to fund this	31/12/2023		
Failure to agree ownership of the new Spaceport infrastructure (eg. LVIF, apron, access road, control point)	5	5	25	Red	Red	Professional advice being sought by SAC on the legalities of SAC having any ownership rights to the Spaceport. Advice previously confirmed operating arrangement scenarios.	31/10/2023		
Project costs cannot be met by the existing AGD project budget	5	5	25	Red	Red	Digital re-scoping exercise and proposal that build shortfall is supported by digital funds. SE will acquire the land.	31/10/2023		



Prestwick Commercial Space



Dec 2023

Project Overall Status  
Amber

Project Update

Project Scope Status	Green	Project Budget Status	Red
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Monthly update - provide narrative  
Project Lead: Derek Yuille

Mangata continue to work towards Series B completion and have now noted a Lead Investor. This work is not now expected to conclude until December 2023. This has an impact on the programme with main construction delayed and now programmed to start Q1 24/25 and complete Q2 2026. The costs have increased to £110m and SE/Mangata are looking at value engineering to bring down to £90m.

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	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)
Increase in costs	4	5	20	Red	Red	SE have confirmed that this eventuality was contracted for in their Deal documents, and any difference remains the liability of Mangata. SE continue to work with Mangata, Morgan Sindall, G&T and their sub-contractors on both the potential to reduce costs, and to mitigate risk by ensuring appropriate financial guarantees are in place.	30/12/2023
Failure of Mangata to resource additional funding	4	4	16	Red	Red	<ul style="list-style-type: none"> <li>Closing Series B continues to prove challenging for Mangata, with timing now forecast for early December (previously end September). However, Mangata have now signed a letter of intent with a lead investor.</li> <li>Mangata are funding the business through Convertible Loan Notes until Series B close. This requires them to continue to raise cash as current funding forecast lasts until October and includes the R&amp;D Grant payment. Mangata's forecasts show that they then anticipate some funding in October 2023, before conclusion of Series B, expected December.</li> </ul>	30/12/2023
SAC are unable to recoup any costs expended if project does not proceed	4	4	16	Red	Red	SAC seeking clarification from SE/PMO and SG on SAC's ability to recoup costs should project not proceed.	30/03/2024
Failure of Cabinet/AEPB/AEIC to approve changes to costs, programme	5	2	10	Yellow	Orange	SAC to work with SE to draft report for submission to Cabinet in Jan 24 and AEPB/AEIC in Feb 24 to endorse/approve changes.	30/03/2024
Failure to procure and install the specialised manufacturing equipment on time.	3	3	9	Yellow	Green	Equipment orders are dependent on the successful conclusion of MGTA funding. Once this has been established, the overall programme to procure and install can be secured and aligned to the build programme.	30/03/2024



Prestwick Infrastructure Roads



Dec 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: Kevin Braidwood

Continue to work closely with the LDP2 project delivery team to obtain TS approval of the traffic modelling baseline data, during these discussions it has become clear the AGD trip generation included in the LDP2 is no longer accurate and needs to be reviewed. PMO currently working to provide as accurate as possible AGD proposals to allow accurate trip generations to be established. Additional work is ongoing regarding Surface Water Management on the northern side of Glasgow Prestwick Airport, meeting has been arranged to discuss both of these high risk issues and agree a way forward.

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	31/05/2024	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 - Enabling transport works	01/03/2025	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	01/03/2024	Red	Final financial drawdown	31/12/2027	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)
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 Mar 2024 OBC Nov 2024
Additional risk that any spaceport access road, delivered outside the STAG process is not only not eligible for funding via the enabling infrastructure funds but also sterilises available land for the Growth Deal if access cannot be gained due to the Spaceport project working in isolation	4	4	16	Red	Red	Continues liaison with Spaceport and requirement for this project to meet requirements of STAG process or withdraw from the AGD enabling works fund. Requirement added for Spaceport project to ensure ongoing access to the southern AGD lands for future development	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
Land assembly delays - Monkton & Spaceport	3	2	6	Yellow	Green	Early commencement of Land Owner negotiations	31/12/2024

**Project Updates – Digital Programme 15 December 2023**



Project Name	Project Lead	Senior Responsible Officer
Digital Infrastructure & Sub Sea Cable	Simon Yeardeley	Louise Reid



## Digital Infrastructure & Subsea Cable



Dec  
2023

Project Overall Status

Red

### Project Update

Project Scope Status	Red	Project Budget Status	Red
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Monthly update - provide narrative Project Lead: Simon Yeardeley

From the meeting held by the AEJC on the 20th of November endorsement was given on the recommendations of the Ayrshire Economic Partnership Board of the 7th September 2023, that the Subsea Cable and Infill projects are de-scoped from the AGD programme and that Option 5b 'Building Digital Capital' is approved as the new project scope. Following the approval from the AEJC, the three AGD Lead Authority Senior Responsible Owners (SRO's) and Section 95 Officers will work with the regional PMO, in accordance with the AGD change management process, Deal Heads of Terms and Grant offer, to develop a new financial profile for 'Building Digital Capital', for consideration and approval by the Joint Committee by the end of Financial Year 2023/2024.

### 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			
AEJC approve re-scope of project	30/10/2023	Complete			
change management process applied	30/11/2023	RED			
Project Completion ( Descoped)	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	2	2	4	Yellow	Green	<ul style="list-style-type: none"> <li>Rescoping exercise has concluded and identified a valid option that can be delivered by reprioritisation of current budget to in train AGD projects</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	2	2	4	Yellow	Green	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Re-scope proposal scope 5b approvals and approved by Partnership Board via established AGD governance</li> </ul>	30/10/2023
Resource availability	3	2	6	Yellow	Green	<ul style="list-style-type: none"> <li>Effective deployment of resource to support delivery of the project</li> </ul>	30/09/2026

## South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

### 1. Policy details

Policy Title	Ayrshire Growth Deal
Lead Officer (Name/Position/Email)	Louise Reid – <a href="mailto:louise.reid@south-ayrshire.gov.uk">louise.reid@south-ayrshire.gov.uk</a>

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	No	No
Disability	No	No
Gender Reassignment (Trans/Transgender Identity)	No	No
Marriage or Civil Partnership	No	No
Pregnancy and Maternity	No	No
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	No	No
Religion or Belief (including lack of belief)	No	No
Sex – (issues specific to women & men or girls & boys)	No	No
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	No	No
Thematic Groups: Health, Human Rights & Children's Rights	No	No

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	No	No
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	No	No
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	No	No
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	No	No
Socio-economic Background – social class i.e. parent’s education, employment and income	No	No

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Eliminate unlawful discrimination, harassment and victimisation	Low impact
Advance equality of opportunity between people who share a protected characteristic and those who do not	Low impact
Foster good relations between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low impact
Increase participation of particular communities or groups in public life	Low impact
Improve the health and wellbeing of particular communities or groups	Low impact
Promote the human rights of particular communities or groups	Low impact
Tackle deprivation faced by particular communities or groups	Low impact

**5. Summary Assessment**

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<b>YES</b>
	<b>NO</b>
<b>Rationale for decision:</b> <b>The proposal does not have significant positive or negative impact with regards to equality therefore an EQI is not required</b>	
<b>Signed :</b> Louise Reid Assistant Director Strategic Change	
<b>Date:</b> 9 January 2024	