

South Ayrshire Council

**Report by Director of Communities and Transformation
to Cabinet
of 23 April 2024**

Subject: South Ayrshire Inward Investment Ambitions Plan

1. Purpose

- 1.1 The purpose of this report is to bring forward an Inward Investment Ambitions Plan that supports the existing Inward Investment Strategy.

2. Recommendation

2.1 It is recommended that the Cabinet:

2.1.1 notes the content of the proposed Inward Investments Ambitions Plan in [Appendix 1](#) that supports the implementation of the Inward Investment Strategy; and

2.1.2 requests that officers from Economy and Regeneration provide a progress report on delivery of the proposed Ambitions to the April 2025 meeting of the Service and Partnerships Performance Panel.

3. Background

3.1 The Invest South Ayrshire (ISA) service was approved by the Council Leadership Panel on 17 March 2015 to establish a service to manage all inward investment enquiries for the local area. It has been in operation since January 2016. The aim of ISA is to create and safeguard jobs in the region, through securing existing and attracting new mobile investment.

3.2 The Ayrshire Regional Economic Strategy (ARES) was launched on 19 June 2023, with ambitions to build wealth for everyone in Ayrshire by creating opportunities for those who want to live, work, learn and invest in the region. A new strategic approach to inward investment is therefore required that encompasses a sector and place-based approach, produced through collaborative working, to best deliver these ambitions for South Ayrshire.

3.3 Competition to attract inward investors is fierce, not only between regions but between countries. The decision of a business to invest in a region is complex and led by: skills and workforce availability; transport and digital connectivity; and physical infrastructure. The final decision to invest is influenced by softer factors, including quality of life and relocation problem solving, often demanding strong local knowledge – these are the areas where the Council can add value to the efforts of

Scottish Development International, Scottish Enterprise and other national agencies.

- 3.4 Inward investment is critical to growing our future local economy and enabling our communities to thrive. One of the most significant contributions inward investment makes is the creation of high-value jobs, with inward investors paying higher than average salaries. The strategy recognises the need to improve performance in maximising the wider spillover benefits of inward investment, and as such adopts and embeds community wealth building at its heart.
- 3.5 Economic development centres on bringing money into the area (wealth generation), retaining wealth within the area and developing local supply chains (wealth retention) to create job opportunities for local people (employability). While it is the priority of the Economy and Regeneration service, economic development can only be fully delivered in collaboration with multiple Council departments.

4. Proposals

- 4.1 This Inward Investment Ambitions Plan summarises the priorities for South Ayrshire Council in driving forward our ambitions of securing existing and attracting new inward investment to our region. In addition to delivering the direct impacts of high-value jobs and new investment in the region, the strategy focuses on maximising value from wider spillover benefits, ensuring these are spread more evenly throughout the region and to a wider demographic.
- 4.2 The Plan aims to ensure that as much as possible of the wealth created by new inward investments remains within South Ayrshire, through ensuring local supply chains benefit and local people are employed.
- 4.3 The new Inward Investment Plan covers four key areas:
- Our core approach to attracting strategically aligned investors;
 - Widening the benefits of inward investment across the region and demographics;
 - Creating the right environment through infrastructure and workforce development; and
 - Taking a sector-led, cluster building approach to inward investment.
- 4.4 Establishing close relationships with existing investors is key, not only in securing new investments, but in safeguarding investments already made.
- 4.5 The plan aims to spread the benefits of inward investment to more rural locations through a place-based approach, focussing on emerging sector opportunities, in particular energy and agritech. The cluster building focus taken previously within the aerospace sector will be applied to the other sectors within South Ayrshire to create more effective collaboration between industry, education partners and business support agencies.
- 4.6 The plan identifies the following emerging and mature sectors, that best align to our regional strengths and which will form the basis of our cluster building and targeted approach to inward investment:

Mature strategic sectors:

- Aerospace;
- Food and Drink Manufacturing;
- Engineering and Advanced Manufacturing; and
- Tourism.

Emerging strategic sectors:

- Energy;
- Agritech; and
- Space (Manufacture of space-related products).

4.7 Businesses in these sectors play a key role in the local and national economies, giving our region access to global technology, talent, markets and investment. The businesses support the building of globally recognised and leading clusters, and, importantly, the development of local businesses and supply chains. Long term, local investment in the skills of both future and current generations will be central to drive inward investment forward.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report. Though any future works identified would be subject to tender rules and procedures and subject to approval.

6. Financial Implications

6.1 There are no financial implications arising from the development of the Inward Investment Strategy.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

8.1.1 No identified risks associated with the adoption of the strategy.

8.2 Risk Implications of Rejecting the Recommendations

8.2.1 The risk associated with rejecting the recommendations would result in a lack of strategic direction and approach, which will impede the Council's ability to safeguard and secure inward investment.

9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant positive or negative 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)** – This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

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 strategy supports regional economic growth in line with the Ayrshire Regional Economic Strategy (ARES) and our own Council Plan (2023 - 2028), especially in respect of Priority Two ‘Live, Work, Learn’ where ‘Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish’.

13. Results of Consultation

- 13.3 Consultation has taken place with Councillor Bob Pollock, Portfolio Holder for Economic Development, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Director of Communities and Transformation 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:

Implementation	Due date	Managed by
Report on progress to Service and Partnerships Performance Panel	April 2025	Assistant Director - Communities

Background Papers None

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Date: 11 April 2024

South Ayrshire Inward Investment Strategy – Summary of Ambitions

1. Our core approach to attracting strategically aligned investors

Ambition 1	To safeguard our existing Foreign Direct Investments (FDIs) by providing client management services, in conjunction with our partners, to 15 strategically important foreign owned companies in South Ayrshire.
Ambition 2	To target specific investors by aligning our regional strengths to inward investment opportunities, working with partner organisations to gain a deep understanding of the strategic decision-making criteria of our targeted companies.
Ambition 3	To enhance the Invest South Ayrshire soft landing support through the establishment of private sector regional ambassadors and, with the support of our Planning service, provide early engagement and direction on the planning process.
Ambition 4	Through the provision of client management services to 15 strategically foreign owned operations, we will support their development of local strategies and business cases to secure further investment in the region from their respective HQs.
Ambition 5	To attract new capital investment by developing appropriate external funding bids for opportunities that align to the Inward Investment Strategy and wider economic development aims.
Ambition 6	To secure further private sector investment and government funding relating to digital 5G infrastructure, capitalising on the 5G Innovation Regions Project.

2. Widening the benefits of inward investment across the region and demographics

Ambition 7	To increase the visibility and attractiveness of South Ayrshire as an inward investment location, to secure new inward investment across the region.
Ambition 8	To spread the benefits of inward investment to more rural locations through a place-based approach, focussing on emerging sector opportunities, in particular energy and agritech.
Ambition 9	To ensure local people and local supply chains benefit as a result of new inward investment, creating wealth and opportunities in the local area.
Ambition 10	To support the development of South Ayrshire’s town centres, by aligning inward investment activities to town centre plans.

3. Creating the right environment through infrastructure and workforce development

Ambition 11	To work with Ayrshire Growth Deal colleagues and Scottish Enterprise partners to develop options appraisals which can unlock commercial development.
Ambition 12	To provide the link between industry and sectors with our Education service/local education providers and the Local Employment Partnership (LEP), to inform the provision of skilling, upskilling and reskilling to ensure the skills pipeline aligns with future industry demand.
Ambition 13	To encourage promotion of high value careers in South Ayrshire to young people, to increase retention/reduce outward migration within the region, in conjunction with the Local Employment Partnership (LEP).
Ambition 14	To jointly deliver, in conjunction with our partners, the 5G Innovation Regions Project by 31 March 2025, improving South Ayrshire’s attractiveness for new and existing investors, and promoting South Ayrshire as a digitally advanced region.

Ambition 15	To explore opportunities for the development of renewable energy production at key industrial locations in South Ayrshire and develop investment propositions.
Ambition 16	To position South Ayrshire at the forefront of renewable energy production by accelerating the development of renewable energy infrastructure in partnership with private sector energy providers and aligning to the Ayrshire Energy Masterplan.

4. Taking a sector-led, cluster building approach to inward investment

Ambition 17	To create new clusters within our key sectors, where interconnected businesses, suppliers, universities and research organisations collaborate to gain a competitive advantage.
Ambition 18	To support our mature sectors to grow and to stimulate the development of our target emerging sectors through securing inward investment from an anchor organisation.

**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	South Ayrshire Inward Investment Strategy
Lead Officer (Name/Position/Email)	George Hunter, Assistant Director, George.hunter@south-ayrshire.gov.uk

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		N/A
Disability		N/A
Gender Reassignment (Trans/Transgender Identity)		N/A
Marriage or Civil Partnership		N/A
Pregnancy and Maternity		N/A
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers		N/A
Religion or Belief (including lack of belief)		N/A
Sex – (issues specific to women & men or girls & boys)		N/A
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight		Yes
Thematic Groups: Health, Human Rights & Children's Rights		Yes

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		If not agreed this may impact this group
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		If not agreed this may impact this group
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		If not agreed this may impact this group
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)		If not agreed this may impact this group
Socio-economic Background – social class i.e. parent’s education, employment and income		If not agreed this may impact this group

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	N/A
Advance equality of opportunity between people who share a protected characteristic and those who do not	Positive
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?)	Positive
Increase participation of particular communities or groups in public life	Positive
Improve the health and wellbeing of particular communities or groups	Positive
Promote the human rights of particular communities or groups	Positive
Tackle deprivation faced by particular communities or groups	Positive

5. Summary Assessment

Is a full Equality Impact Assessment required? (A full Equality Impact Assessment must be carried out if impacts identified as Medium and/or High)	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
Rationale for decision: This proposal does not require a full equality impact assessment, the proposal will have a positive impact on residents within South Ayrshire	
Signed :George Hunter..... Assistant Director Date:20 March 2024.....	