

**South Ayrshire Council**

**Report by Director of Communities and Transformation  
to Service and Partnerships Performance Panel  
of 22 April 2025**

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**Subject: South Ayrshire Inward Investment Strategy**

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**1. Purpose**

- 1.1 The purpose of this report is to provide the Service and Partnerships Performance Panel with an update on the implementation of the [Inward Investment Strategy](#).

**2. Recommendation**

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

- 2.1.1 notes progress made with the South Ayrshire inward investment Strategy; and**
- 2.1.2 notes that annual progress reports will be provided to the Service and Partnerships Performance Panel in 2026.**

**3. Background**

- 3.1 The South Ayrshire Inward Investment Ambitions Plan, which supported the implementation of the Inward Investment Strategy, was approved by Cabinet on 23 April 2024.
- 3.2 This strategy outlined our new approach to inward investment, focusing on four key areas:
- attracting strategically aligned investors;
  - widening the benefits of inward investment across the region and demographics;
  - Developing the environment for investors through infrastructure and workforce development; and
  - taking a sector-led, cluster building approach to inward investment.
- 3.3 This report provides an update on progress and achievements across each of these four areas.

***Attracting/***

### ***Attracting Strategically Aligned Investments***

- 3.4 Over the last 12 months, the Economy and Regeneration service has continued to maintain and strengthen relationships with strategically important investors in the area. Working with these companies to develop growth strategies within South Ayrshire has proved effective in attracting significant potential expansion projects which, combined, offer the prospect of creating over 1,000 new jobs. It is anticipated additional projects still in development can expand this even further.

### ***Widening the Benefits of Inward Investment across the Region and Demographics***

- 3.5 The Inward Investment Strategy recognised an over reliance in the aerospace sector and Prestwick opportunities and highlighted a need to work more intensively with other sectors across a wider geographical spread. The recruitment of a temporary food and drink Sector Specialist is seeing positive progress in this respect.
- 3.6 Work to develop a greater focus on the Grangestone Industrial Estate in Girvan is underway, with initial steps taken to develop collaboration amongst the businesses currently operating within the estate ensuring that more people from across the region benefit from inward investment.

### ***Developing the Environment for Investors through Infrastructure and Workforce Development***

- 3.7 Working with internal and external partners, the Service has developed the New Prestwick Proposition to reprofile existing Ayrshire Growth Deal (AGD) funds to capitalise on new market opportunities, and facilitate and support growth at Prestwick, with a paper approved by Council on 6 February 2025.
- 3.8 In the global aircraft industry, demand for new aircraft has risen dramatically and is now outweighing supply. The shortfall in Maintenance and Repair Operations (MRO) supply chain capacity, is creating opportunities for South Ayrshire to attract increased investment in this area. The Service is working closely with industry partners to develop joint proposals and propositions to bring investment and new jobs to the area.
- 3.9 The New Prestwick Proposition focuses on three Missions to facilitate and support growth at Prestwick. Those Missions are to:
1. create commercial buildings to facilitate growth at Prestwick;
  2. develop skills and workforce to support growth by refocusing ASTAC; and
  3. develop roads infrastructure to enable growth.
- 3.10 Working with partners, the Service proposed a reprofiling of ASTAC to focus on skills, innovation and workforce development to support growth among aerospace companies located in Prestwick, with a paper approved by Cabinet on 21 January 2025.
- 3.11 In addition to the three AGD projects, the Service has been working with internal and external partners, and the private sector, to create competitive advantage through the development of an advanced digital infrastructure, to offer a more productivity-focused environment in attracting inward investment.

- 3.12 Work is continuing to jointly deliver, in conjunction with our partners, the Ayrshire 5GIR Innovation Regions Project. Following a successful bid to DSIT, the project has been extended to September 2025, with additional funding to support existing projects and maximise the delivery benefits. This will improve South Ayrshire's attractiveness for new and existing investors and enable promotion of South Ayrshire as a digitally advanced region. The project includes the creation of an Ayrshire Innovation Hub (Digital Connectivity Innovation Centre – DCIC) at the University of the West of Scotland; support for Ayrshire College to develop immersive learning tools to explore alternative methods of training delivery to students; and the creation of a public WiFi event space across Low Green/Ayr Esplanade, as approved by Cabinet on 23 October 2024.
- 3.13 The Service has been working with the National Manufacturing Institute Scotland (NMIS) to identify new technically ready product developments in South Ayrshire to transition into commercially manufactured products. This engagement with NMIS has resulted in two inward investment enquiries which are currently being explored.
- 3.14 Lack of available commercial buildings remains a significant barrier to attracting inward investment. Without suitable modern space to offer potential investors, South Ayrshire is restricted to working with investors who are willing to progress into new build facilities; this has resulted in potential opportunities with investors requiring immediate commercial space being lost. The Ayrshire Growth Deal new Prestwick Proposition, with increased funding towards the Commercial Build project, will help address this issue. The Service, however, will continue to work with public and private sector partners to drive further investment in the development of new commercial build.

### ***Taking a Sector-Led, Cluster Building Approach to Inward Investment***

- 3.15 Two temporary Sector Specialists were appointed through the UK Shared Prosperity Fund to develop existing, mature sectors and emerging sectors, with the aim of achieving effective clusters in South Ayrshire. These roles are supported until end September 2025.
- 3.16 A Food & Drink Manufacturing Strategy is currently being progressed, which includes the development of the Grow Ayrshire Food & Drink Support Programme. Initially planned as a South Ayrshire programme, this has attracted the interest of East and North Ayrshire, as a means of developing the food manufacturing sector across the whole of Ayrshire. The Service has been collaborating with external partners to support the development of the Programme, as well as the sector, including with Scottish Enterprise, Scottish Manufacturing Advisory Service, Scotland Food and Drink, Ayrshire Chamber of Commerce, Ayrshire College, Skills Development Scotland, Business Energy Scotland and NMIS.
- 3.17 To support the growth of the Prestwick Aerospace Cluster, the Service re-established the Prestwick Aerospace Operational Group (PAOG), with quarterly meetings taking place with cluster organisations, educational partners, Scottish Enterprise, Ayrshire Chamber, the Ayrshire local authorities and other partners. Four sub-groups, led by industry, have also been formed namely Innovation, Skills & Workforce, Infrastructure, and Lobbying and Communications.
- 3.18 The Service continues to work closely with Scottish Development International (SDI) to develop inward investment activities. This follows the production of an

interactive map and promotional video for Prestwick Aerospace, led by SDI and supported by the Service, which can be viewed at [Media | Prestwick Aerospace](#).

### ***Ayrshire Regional Inward Investment***

- 3.19 The Ayrshire Growth Deal and the Ayrshire Regional Economic Strategy (ARES) highlight the need for coordinated efforts across the three local authority areas to attract inward investment that aligns with the Community Wealth Building (CWB) principles to drive sustainable economic growth.
- 3.20 Led by SDI, the Service has supported the development of a new Ayrshire Regional Inward Investment Proposition to showcase the Ayrshire region as a premier investment destination for inward investors. The Service will be working with East and North Ayrshire Councils, and Scottish Enterprise/SDI, to develop an Ayrshire Inward Investment Protocol to supplement the Ayrshire Proposition. This protocol will provide a structured approach to securing investments across East, North and South Ayrshire, ensuring local economic benefits are maximised and cross boundary economic development is delivered to support the Ayrshire Region.

## **4. Proposals**

- 4.1 It is proposed that Members:
  - 4.1.1 note progress made with the South Ayrshire inward investment Strategy; and
  - 4.1.2 note that an annual progress report will be provided to the Service and Partnerships Performance Panel.

## **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 Not applicable.

## **7. Human Resources Implications**

- 7.1 Not applicable.

## **8. Risk**

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

- 8.1.1 There are no risks associated with adopting the recommendations – update only.
- 8.2/

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

- 8.2.1 There are no risks associated with rejecting the recommendations – update only.

## 9. **Integrated Impact Assessment (incorporating 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.

## 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, as the report is an update asking to Note progress only.

## 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. **Link to Shaping Our Future Council** Yes ☐ No ☒

- 13.1 Not applicable.

## 14. **Results of Consultation**

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

**Background Papers** Report to Cabinet of 23 April 2024 - [South Ayrshire Inward Investment Ambitions Plan](#)

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