

South Ayrshire Council

**Report by Director of Communities and Transformation
to Cabinet
of 25 November 2025**

Subject: Ayrshire Regional Economic Strategy Update

1. Purpose

- 1.1 The purpose of this report is to provide an update on the progress of the Ayrshire Regional Economic Strategy (ARES) including project management arrangements, interim delivery arrangements 2024-26 and proposals for developing the 2026-29 Plan.

2. Recommendation

2.1 It is recommended that the Cabinet:

- 2.1.1 notes the progress of the ARES to date, including a programme of engagement with partner organisations;**
- 2.1.2 notes the interim delivery arrangements for 2024-2026;**
- 2.1.3 notes the intention to develop a three-year Delivery Plan for 2026 to 2029 which responds to key findings and recommendations to date from partner engagement;**
- 2.1.4 notes the route map and key dates to completion of the 2026-2029 ARES Delivery Plan; and**
- 2.1.5 endorses the recommendations on our commitment to support the ARES.**

3. Background

- 3.1 The ARES was approved by the Joint Committee on 20 February 2023. Formally launched on 19 June 2023, the Strategy was developed by the industry-led Regional Economic Strategy Working Group and identifies the vision of building wealth for everyone in Ayrshire by 2033.
- 3.2 The Strategy was informed by engagement with a wide range of stakeholders including private and third sector enterprises, and young people. The working group built on this engagement to inform the development of a Delivery Plan which was approved by the Ayrshire Economic Joint Committee on 18 September 2023.

- 3.3 On 28 November 2023 South Ayrshire Cabinet approved the ARES Delivery Plan Report that set out the delivery plan, financial implications and how the ARES would be resourced internally.
- 3.4 Officers facilitated a face-to-face ARES workshop for members of South Ayrshire Community Planning Partnership (CPP) on 27 February 2024. This session provided an insight into the work of the ARES and set out the proposals to review and reflect on the initial plan and progress made during Year 1.
- 3.5 All three local authorities agreed to fund a seconded post to help progress the delivery of the ARES. The new Ayrshire Regional Economy Lead Officers post started in December 2024 and has helped develop a new three-year Delivery Plan following a review of the Year 1 Action Plan.
- 3.6 The opportunity to review and refocus the ARES has allowed regional partners to consider how the ARES is aligned to other economic development priorities and activity both locally and regionally.
- 3.7 Internally SAC Officers continue to review resources and commitments in relation to supporting the ARES. Internal changes include Economic Development becoming part of Thriving Communities, under Thriving Economy, raising awareness of the ARES within the CPP and ensuring SAC is represented at the various thematic groups/meetings. There has also been notable progress in the AGD projects that are key drivers for the ARES.

4. Detail

- 4.1 As part of the ARES review, workshops and one-to-one sessions with each of the ARES Delivery Group partner organisations took place between January – April 2025. The key findings from this work are noted in [Appendix 1](#).
- 4.2 Some of the recent ARES key highlights and achievements were reported to the Regional Economic Strategy Board on 5 September 2025, this includes;
- Progression of proposals for an Ayrshire Regional Intelligence Hub through a Knowledge Transfer Partnership (KTP) Ayrshire Economic Information Hub which will initially provide statistical analysis for the AGD programme enabling creation of an intelligence hub over the longer term;
 - Progress on the commissioning of an Ayrshire Regional Economic Partnership website which is currently being procured;
 - Confirmation of funding from a number of partners to progress research on 'Regional Transformational Opportunities' which will support the development of a Regional Spatial Strategy, following on from similar and successful work undertaken by Highlands and Islands Regional Economic Partnership (HIREP). This work will be led by Scottish Enterprise and supported by Skills Development Scotland;
 - Submission of a regional application to the UK Government's AI Growth Zones programme;
 - Agreement with Ayrshire Chamber of Commerce that their Board Members will facilitate an initial ARES Business Advisory Group, feeding into the Support for Enterprise theme.

4.3 The initial Year 1 ARES Delivery Plan covered the period October 2023 to September 2024. The 2024-2026 Interim Delivery Plan was prepared to:

- Reflect ongoing progress during Year 2 and into Year 3;
- Provide governance and direction to ongoing delivery;
- Chart progress and set out a plan and route map to the 2026-2029 Delivery Plan.

4.4 Operating under an interim plan allows for coordinated action to develop a robust, well informed, and well-connected future plan for delivery that respects and acknowledges the significant amount of economic development activity already underway, led by partners, at locality, local authority and regional level.

4.5 The interim plan adheres to the themes agreed in the Year 1 Delivery Plan and therefore does not require approval from the AEJC.

THREE-YEAR DELIVERY PLAN 2026-2029

4.6 As noted, the ARES Delivery Group has acknowledged the need for a reset during Year 2 and the requirement to look at a longer-term approach to delivery of ARES priorities. It is recognised that actions must add value to economic development work at a regional level, not just seek to deliver business as usual, and will most likely be fewer in number and greater in focus.

4.7 The ARES represents a significant opportunity to change the economic prospects for Ayrshire, building on our strengths and opportunities as a region, through activity that is correctly targeted and resourced.

4.8 The route map for developing the 2026-2029 Delivery Plan is shown in [Appendix 2](#).

4.9 Following all engagement sessions, agreement has been reached by the majority of partner organisations on the way forward for delivery of ARES activity.

4.10 This recommendation was presented to the AEPB as the process for developing the new 2026-2029 Delivery Plan;

- The Delivery Plan will operate under a new vision statement, Ayrshire: Thriving Together;
- The six priority themes should be taken forward for delivery under three general theme areas, Business and Economy, Place and Environment and People and Skills.
- The priority theme outcomes (pp. 56-61 of the ARES) should be used to focus development of actions for the 2026-2029 Delivery Plan under the three broad theme areas;
- The eight ARES priorities (pp. 64-65 of the ARES) should be reframed as ambitions, responding to concerns around the scale and ambition of these targets and the level of activity already underway by others at locality, local authority and regional level. The work of the ARES will help to deliver these as secondary outcomes;

- In order to develop the individual approaches of each theme area (membership, leads, scope and direction). it is proposed to run a facilitated development session for each, drawing in officers from across the member organisations;
- CWB should remain as an overarching priority and the CWB Commission should support delivery of the CWB ARES actions;
- The three regional cross cutting workstreams of skills, digital and clean growth should feed into delivery of the ARES and similarly the ARES themes should link into the workstreams to allow for coordinated activity. Details on how this will work will be determined in due course;
- The three regional sectoral workstreams of visitor economy, food and drink and aerospace/space should feed into the Business and Economy theme area, whilst also linking into the other themes and cross cutting regional workstreams.
- A new Business Advisory Group should be created, led by Ayrshire Chamber of Commerce, which will bring valuable insight from local and regional industry;
- A review will be undertaken to determine how the work of Community Planning Partnerships and Local Employability Partnerships can feed into ARES activity to complement this;
- Climate change is an essential consideration of the ARES. Rather than create another cross cutting theme with associated reporting requirements, it is recommended that the existing Clean Growth workstream is amended to incorporate climate adaptation and just transition goals in addition to the current focus on reducing emissions.

4.11 The proposed delivery structure is shown in [Appendix 3](#).

4.12 Work has been undertaken internally within the three local authorities to develop a measurement framework and regional baseline for tracking the achievements and impact of ARES activity.

4.13 Following a review of ARES, review of internal resources and an assessment of the action plan and governance arrangements it is recommended that Officers continue to support the delivery of the ARES. Officers recognise the benefits of regional collaborative approaches to drive economic growth.

4.14 Officers equally recognise the ARES has local cross cutting agendas and does not sit within one SAC service area. The developments of the ARES should continue to be reported to Cabinet and also through CPP.

4.15 Officers are therefore recommend:

- 4.15.1 Continue to provide information for progress reports to the AEPB covering a range of priorities.

- 4.15.2 Continue to support the Regional Workstreams which include Aerospace and Space, Food and Drink, Visitor Economy, Clean Growth, Digital Economy and Skills.
- 4.15.3 Continue to resource and contribute to the regional approaches including consultation and workshops.
- 4.15.4 Support the development and implementation of a new 2026-2029 plan.
- 4.15.5 Report progress to Cabinet on progress of the ARES.

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.

6. Financial Implications

- 6.1 The ARES will continue to be funded through Thriving Economy core budgets.

2025/26

- o Regional Coordinators Post - £9867 (currently funded until December 2025)
 - o SQW Workshops - £5800
 - o Food and Drink Coordinator - £7000 (Not ARES but supports regional work)
 - o Regional Transformational Opportunities Commission - £5000
- 6.2 The lead officer supported by partners will continue to seek external funding opportunities to support the development and delivery of the ARES. Officers acknowledge the uncertainty with both UK and Scottish Government funding to support priorities within the ARES.
- 6.3 Any three-year plan for consideration will also recognise this capacity within each of the three local authorities to ensure the commitments are achievable and reflected in the updated partnership agreement. Financial commitments including funding for the Officers post should also be included in the updated partnership agreement.

7. Human Resources Implications

- 7.1 There are no HR implications contained within this report.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

- 8.1.1 There are no risks associated with adopting the recommendations contained within this report.

8.2 *Risk Implications of Rejecting the Recommendations*

- 8.2.1 Rejecting the recommendations will have a negative impact on progressing the work of the ARES and also impact service areas including Thriving Economy.

8.2.2 Rejecting the recommendations may impact on the reputation of the Council.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an Integrated 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 been carried out in relation to the subject matter of this report. The following table summarises which options were considered and their ranking of preference:

Option	Description	Ranking
1. Continue No Change	Continue supporting the ARES.	1
2. Stop	Stop supporting the development and delivery of the ARES.	2

11.2 It is recommended that SAC continue to support the development and delivery of the ARES.

11.3 Officers recognise the benefits for regional collaborative approaches.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 1, 2 and 3 of the Council Plan: Spaces and Place; Live/ Work/ Learn; Civic and Community Pride

13. Link to Shaping Our Future Council No

13.1 The matters referred to in this report contribute to the Council's transformation priority area(s): our workforce; our technology; our assets; our delivery model and could deliver cashable, qualitative and quantitative benefits in the future.

14. Results of Consultation

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

14.2 Consultation has taken place with Councillor Brian Connolly, Council Leader and Policy Lead for Economy and Strategy, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

15.1 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:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Continue to support the ARES	Ongoing	George Hunter
Consider the ARES 2026-2029 Plan	March 2026	George Hunter
Provide Cabinet with an update	November 2026	George Hunter

Background Papers Report by Director of Communities and Transformation to Cabinet of 28 November 2023 - [ARES Cabinet 2023](#)

Person to Contact George Hunter, Assistant Director Communities
County Buildings Wellington Square, Ayr KA7 1DR
Phone 01292 612994
Email George.hunter@south-ayrshire.gov.uk

Date: 28 October 2025

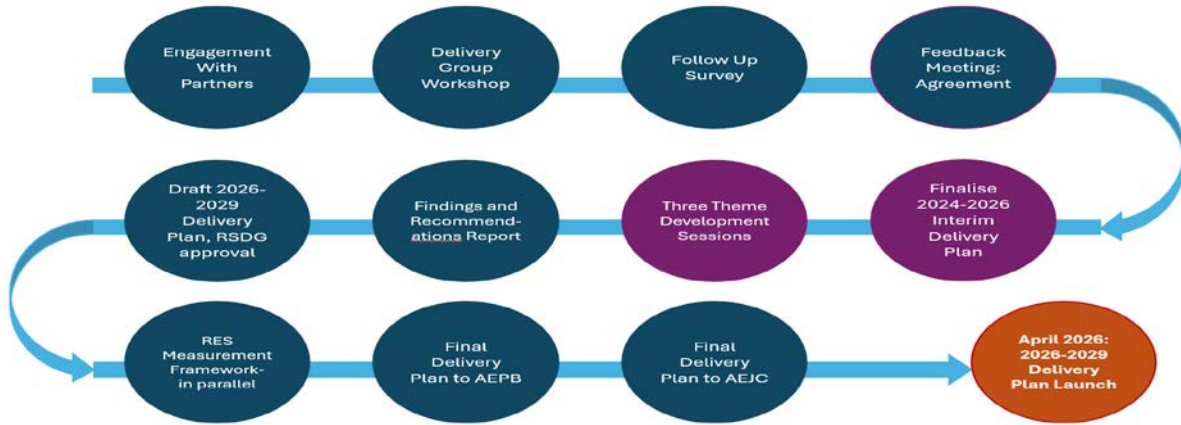
Findings from workshops and discussions

The Regional Economy Lead undertook individual workshops and one-to-one discussion sessions with each of the ARES Delivery Group partner organisations between January and April 2025.

The following findings were drawn out of these discussions which have shaped recommendations going forward:

- There are a number of Year 1 actions where delivery is currently underway, with around 40% of Year 1 actions having been completed during the 2023-2024 timescale. These need to be taken forward into the next iteration of the Delivery Plan;
- The vision statement is too long and reads more like a mission statement. With that in mind, Directors of Ayrshire Chamber of Commerce were asked to suggest options for a new vision statement for selection by the Regional Strategy Delivery Group;
- The eight ARES priorities, presented at the January AEPB, were assessed for their continued relevance. Feedback resulted in recommendations that these priorities be reframed as ambitions, reflecting that achievement of these goes beyond the actions of the ARES;
- Community Wealth Building (CWB) should remain as an overarching principle of the ARES, particularly with CWB legislation currently going through Parliament and a likely requirement to develop a regional CWB Action Plan for Ayrshire;
- Delivery of the six ARES priority themes could be simplified by combining themes into three broad areas;
- Rather than continue with the ARES cross cutting themes which were introduced in the Year 1 Delivery Plan, this work can be picked up through regional workstreams and a new coordinated reporting mechanism, to avoid duplication of effort;
- Engagement with industry is essential and some form of business oversight and advisory option for the ARES activity would add value;
- It is important to embed the Ayrshire Growth Deal (AGD) projects into the ARES given their significant value and opportunity to the regional economy.

Regional Economic Strategy 2026-29 Route Map



Proposed delivery structure 2026 - 2029

AYRSHIRE REGIONAL ECONOMIC STRATEGY DELIVERY STRUCTURE

