

City Chambers  
DUNDEE  
DD1 3BY

2nd December, 2022

TO: ALL MEMBERS OF THE TAY  
CITIES REGION JOINT COMMITTEE

Dear Sir/Madam

**TAY CITIES REGION JOINT COMMITTEE**

Will you please attend a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** on Friday, 9th December, 2022 at 10:00am, to be held at City Chambers, 2 High Street, Perth. **\*\* Please note change of venue\*\***

Please submit any apologies to Veronica Thomson, Committee Services Officer on telephone (01382) 434205 or by e-mail at [veronica.thomson@dundee.gov.uk](mailto:veronica.thomson@dundee.gov.uk).

Members of the Press or Public wishing to join the meeting should contact Veronica Thomson, Committee Services Officer on telephone (01382) 434205 or by e-mail at [veronica.thomson@dundee.gov.uk](mailto:veronica.thomson@dundee.gov.uk) by **12 noon on 7th December, 2022.**

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

**1 WELCOME AND APOLOGIES**

**2 CHANGE OF CHAIR FOR TCRJC**

In terms of Clause TWELVE of the Governance Agreement, and Article II of the minute of meeting of this Joint Committee of 18th May, 2018, the Joint Committee are asked to note that Grant Laing of Perth and Kinross Council becomes Convener in succession to Councillor Beth Whiteside of Angus Council. The Joint Committee are also asked to appoint Councillor David Ross, Vice-Convener from Fife Council.

**2 DECLARATIONS OF INTEREST**

**3 MINUTE OF MEETING OF 23RD SEPTEMBER 2022 - Page 1**

(Copy enclosed).

**4 TAY CITIES REGION DEAL UPDATE**

(Update by Mo Saunders, Programme Manager, PMO).

**5 PMO OPERATIONAL BUDGET - Page 4**

(Report No TCD13-2022 by Morag Saunders, Tay Cities PMO).

**6 AUDITED AND UNAUDITED ACCOUNTS**

(Verbal update by Robert Emmott, TCRD S95 Officer).

**7 DIGITAL SKILLS BJC FOR APPROVAL - Page 9**

(Report No TCD15-2022, introduced by Ken Gourlay, Fife Council, and presentation by Morag Millar, Fife Council and Project Lead).

**8 REGIONAL DIGITAL UPDATE**

(Presentation by Doug Young, Dundee City Council, and Robin Presswood, Dundee City Council).

**9 REGIONAL ECONOMIC STRATEGY ACTION PLAN - Page 17**

(Report No TCD16-2022 by Jill Paterson, Angus Council, on behalf of the Heads of Economic Development Group).

**10 PROPOSED PROGRAMME OF MEETINGS 2023**

Friday, 24th March, 2023, to be held remotely

Friday, 23rd June, 2023, to be held remotely

Friday, 22nd September, 2023, to be held remotely

Friday, 8th December, 2023, venue to be confirmed

**11 AOCB**

**12 DATE OF NEXT MEETING**

Friday, 24th March 2023.

**ITEM No ...3.....**

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Friday 23rd September, 2022.

Present:-

Angus Council

Councillor Beth WHITESIDE  
Councillor Ronnie PROCTER  
Councillor Bill DUFF

Dundee City Council

Councillor John ALEXANDER  
Councillor Mark FLYNN  
Councillor Georgia CRUICKSHANK

Fife Council

Cllr David ROSS  
Cllr Alycia HAYES  
Cllr Jonny TEPP

Perth & Kinross Council

Councillor Grant LAING  
Councillor John DUFF  
Councillor Eric DRYSDALE

Non-Elected Members

Alison HENDERSON, TCRD Enterprise Forum Chair  
Rhona Allison, Scottish Enterprise

Co-Opted Member

Councillor Andrew PARROTT, TACTRAN

Also Present

Kenny MCKAIG, Dundee City Council  
Robert EMMOTT, Dundee City Council  
Alison SMITH, Angus Council  
Margo WILLIAMSON, Angus Council  
Thomas GLEN, Perth and Kinross Council  
Barbara RENTON, Perth and Kinross Council  
Steve GRIMMOND, Fife Council  
Ken GOURLAY, Fife Council  
Michael WRIGHT, Scottish Enterprise  
Steve BELL, Tay Cities Deal Comms  
Mo SAUNDERS, Tay Cities Deal Programme Manager  
Lauren HOLLAS, Tay Cities Deal Project Manager

Councillor Beth Whiteside, in the Chair

**I APOLOGIES**

Apologies had been intimated from Greg Colgan, Robin Presswood, Roger Mennie, Gordon McGuinness, Mark Speed, Iain Gillespie and Hayley Mearns.

## **II DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

## **III MINUTE OF MEETING OF 1<sup>st</sup> JULY, 2022**

The minute of meeting of 1st July, 2022 was submitted and approved.

## **IV TAY CITIES INDUSTRIAL INVESTMENT PROGRAMME UPDATED OBC (SIDE PACKAGE)**

There was submitted Report No TCRJC12-2022 enclosed and introduced by Michael Wright, Head of Innovation and Place, Scottish Enterprise.

A presentation was also given to supplement the report, which was circulated to the Joint Committee after the meeting.

The Joint Committee agreed to: -

- (i) note that the Management Group endorsed the Industrial Investment Programme OBC on 25th August 2022; and
- (ii) approve the updated business case 'Tay Cities Industrial Investment Programme Outline Business Case (v01.08.2)'. The full business case would be available on request.

## **V TAY CITIES REGION DEAL UPDATE**

A presentation by PMO Programme Manager, Morag Saunders, was given to the Joint Committee outlining the current position with regards to the Tay Cities Region Deal.

The updated Deal Programme timetable was tabled, along with Capital and Revenue Business Cases which had Joint Committee approval. The year 3 timetables for Revenue and Capital were also submitted, noting that the Year 3 capital profile for the Partnership within the Grant Office Letter was £37.32m. A potential forecast capital underspend of £747k was reported from the July returns. It was considered that this value could be managed within the overall Capital Deal Programme. The Year 3 Revenue profile within the Grant Offer Letter was £1.01m, and in the July return, Projects forecasted that they were on track to drawdown the allocated revenue funding.

Furthermore, the Joint Committee noted that there had been one Outline business Case (OBC) approved by the Management Group – TCD027 Aero Space Kinross.

Work was continuing through regular meetings with Project Owners to ensure that all parties understood the impact of inflation, noting that the position of UK and Scottish Governments remained the same, and further update would be provided once the full impact of inflation had been ascertained.

Various Change control request for Projects were detailed and areas of some concern in the Risk register outlined, noting that these were being kept under constant review by the PMO Team.

## **VI AOCB**

The Joint Committee noted that there were no other matters which required to be brought to the attention of the Joint Committee.

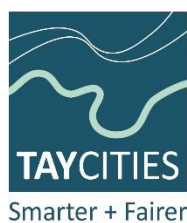
## **VII DATE OF NEXT MEETING**

Friday 9th December 2022, to be held in City Chamber, 2 High Street, Perth.

Please note that under the terms of Clause Twelve of the Governance Agreement, and Article II of the minute of meeting of this Joint Committee of 18th May, 2018, Councillor Grant Laing of Perth and Kinross Council becomes Convener in succession to Councillor Beth Whiteside of Angus Council.

Beth Whiteside, Chair.

ITEM No ...5.....



**REPORT TO:** TAY CITIES REGION DEAL JOINT COMMITTEE

**REPORT ON:** PMO OPERATIONAL BUDGET FOR 23/24 AND DEAL TERM

**REPORT BY:** ROBERT EMMOTT AND MO SAUNDERS, SECTION 95 OFFICER AND TAY CITIES PROGRAMME MANAGER

**REPORT NO:** TCD13-2022

## 1. PURPOSE OF REPORT

1.1 To seek Joint Committee approval to agree the PMO Operational Budget for 23/24 and the term of the Deal.

## 2. RECOMMENDATIONS

2.1 The Joint Committee is asked to consider this report and the recommendation to:

- a) Note it was approved by Management Group on 24/11/2022.
- b) Agree the Operational Budget for 23/24 and the term of the Deal

## 3. BACKGROUND

3.1 The Joint Committee was established by local authority partners in 2017. It is governed by the Joint Committee Governance Agreement. The Joint Committee has two key roles:

- (i) to lead Economic Regional Collaboration
- (ii) to be the ultimate regional decision-making body for the Tay Cities Region Deal

3.2 The Tay Cities Region Deal was signed on the 17<sup>th</sup> December 2020 a commitment by the Partnership with both Governments to deliver:

- the joint investment of the Scottish and UK Governments of £300m
- bring in investment of £400m
- secure over 6,000 jobs

3.3 The Deal covers the period 2020/21 to 2030/31, with a commitment to monitor the benefits until 2037/38.

3.4 The Programme Management Office (PMO) is a small team of officers funded by the Partnership to coordinate the operational tasks required to support the Joint Committee and deliver the Deal. The current PMO team as agreed by the Management Group is:

<b>Current Partnership approved Programme Management Office (PMO)</b>		
Programme Manager	Full Time	Permanent
Project Manager (i)	Full Time	Temporary until 10 <sup>th</sup> January 2025

Project Manager (ii)	Full Time	Temporary until 10 <sup>th</sup> January 2025
Project Officer	Full Time	Temporary until 10 <sup>th</sup> January 2025
Finance Accountant	4 days p/w	For the period of the Deal
Business Support	Full Time	For the period of the Deal

- 3.5 It is proposed to make the Project Manager and Project Officer posts permanent. This will help to address the current recruitment and retention issues. It is also proposed to extend the Finance Accountant role to full time from the current 4 days per week. This would be in line with other PMO models across Scotland which have permanent staff.
- 3.6 The role of the PMO is set out in the Joint Committee Agreement (Appendix 1). This was developed in 2018 and agreed by the four constituent Councils.
- 3.3 The PMO is funded by the four constituent Councils and the HE/FE Forum institutions. A report is provided annually to both the Management Group and Joint Committee to seek agreement on the PMO Operational Budget for the year ahead.
- 3.4 The Deal is just about to enter into its fourth year of delivery of a ten-year delivery Programme. The Partnership have been very successful, to date, in the projects that it has delivered. This has included achieving the securement of £20.9m capital acceleration over the awarded Deals Programme in the first three years.
- 3.5 To enable the continued success of the Delivery of the Deal this report seeks the Partnerships agreement to the Operational Budget for 23/24 budget and the term of the Deal as set out in Appendix 2. The analysis of partner contributions is included at Appendix 3.
- 3.6 The Management Group have previously agreed to any underspend on the PMO Operational Budget being carried over. This approach has enabled the current payment of the PMO team staffing costs without increasing the original baseline budget up until the 10<sup>th</sup> January 2025.
- 3.7 An annual report will be provided to the Partners at year end. The Partners will then have the opportunity to discuss the options of what they wish to do with the funds e.g. each partner receives their proportion of the unspent funds back or use it to reduce future year contributions.

#### **4. CONSULTATIONS**

- 4.1 The Management Group have considered and agreed this report for presentation to the Joint Committee.

Report authors: Mo Saunders and Mark Mitchell  
 Title: Tay Cities Programme Manager and PMO Finance  
 Email address: [Morag.Saunders@taycities.co.uk](mailto:Morag.Saunders@taycities.co.uk)

## **APPENDIX 1: ROLE OF THE PMO EXTRACTED FROM THE JOINT COMMITTEE AGREEMENT**

### **Programme Management Office (PMO)**

The PMO shall be the team of officers employed by or seconded to the Lead Authority to coordinate the operational tasks necessary to implement the delivery of the TCRD Programme.

In particular the PMO will: -

- provide best practice styles and documentation to the Constituent Authorities;
- scrutinise proposed business cases and make recommendations to the Joint Committee via the Management Group. Where necessary expertise does not exist within this team to fulfil this responsibility, external support may be commissioned and managed by the PMO;
- assess and monitor progress, process, slippage and risks in respect of projects within the TCRD Programme and report these to the Management Group;
- analyse the impact of the delivery of the projects within the TCRD Programme as well as the wider economic benefits as agreed in business cases and conditions of grant awards and to report the same to the Joint Committee to enable them to fulfil their reporting obligations to all in accordance with commitments made to the UK and Scottish Governments as part of the Tay Cities Region Deal;
- liaise with and co-ordinate programme delivery across other partners and National Bodies, including non-departmental public bodies, as long as such co-ordination advances the aims of the Tay Cities Region Deal and the functions of the Joint Committee; and
- develop and implement communications and stakeholder engagement strategies.

The Programme Manager shall be appointed by the Management Group to lead and manage the PMO and have responsibility for co-ordination of the operational delivery of the TCRD Programme.

The Programme Manager shall be employed by or seconded to the Lead Authority.

The Programme Manager shall work under the direction of the Management Group and shall be accountable to the Joint Committee, through the Management Group, for the operational delivery of the TCRD Programme.

Through the Management Group, the Programme Manager shall provide quarterly updates and an annual report to the Joint Committee advising on the progress, performance, slippage and risks in respect of all active projects within the TCRD Programme.



**APPENDIX 2: Tay Cities PMO Operational Budget 2023/30**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	£000	£000	£000	£000	£000	£000	£000
Staff Costs	341	351	363	372	381	387	394
Consultancy	50	50	80	80	80	80	80
Support Services	41	42	43	44	45	46	46
Other Expenditure	13	13	13	13	13	13	13
Total Expenditure	445	456	499	509	519	526	533
Partner Contributions	(354)	(361)	(492)	(502)	(512)	(519)	(526)
DCC Contribution Office Costs	(7)	(7)	(7)	(7)	(7)	(7)	(7)
PMO Budget Reserve	(84)	(88)	0	0	0	0	0
Net Expenditure	0	0	0	0	0	0	0

**Notes**

Budget for 2023-24 based on pay award of 2% (2022-23 5%).

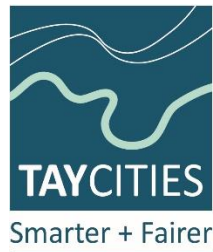
Staff costs expenditure is based on staff establishment for the PMO as agreed by the Management Group. Noting that it includes extending Finance from 4 days per week to full time post.

Costs of staffing up until March 2025 can be contained within current levels of income and balances brought forward.

Any underspend from the current years budget can be used to reduce the following years partner contributions or be retained within the PMO.

### APPENDIX 3 – ANALYSIS OF PARTNER CONTRIBUTIONS 2023-30

Partner	2022-23 Contribution	2023-24 £	2024-25 £	2025-26 £	2026-27 £	2027-28 £	2028-29 £	2029-30 £
Dundee City Council	(47,942)	(50,571)	(51,571)	(70,285)	(71,714)	(73,142)	(74,142)	(75,142)
Perth & Kinross Council	(47,942)	(50,571)	(51,571)	(70,285)	(71,714)	(73,142)	(74,142)	(75,142)
Angus Council	(47,942)	(50,571)	(51,571)	(70,285)	(71,714)	(73,142)	(74,142)	(75,142)
Fife Council	(23,972)	(25,287)	(25,787)	(35,144)	(35,858)	(36,573)	(37,073)	(37,573)
James Hutton Institute	(69,218)	(73,015)	(74,457)	(101,478)	(103,539)	(105,603)	(107,048)	(108,492)
University of Dundee	(44,657)	(47,106)	(48,037)	(65,469)	(66,800)	(68,131)	(69,062)	(69,993)
University of St Andrews	(29,585)	(31,207)	(31,825)	(43,373)	(44,255)	(45,136)	(45,753)	(46,370)
Abertay University	(13,062)	(13,778)	(14,051)	(19,150)	(19,539)	(19,928)	(20,200)	(20,473)
University of the Highlands and Islands	(9,043)	(9,539)	(9,728)	(13,257)	(13,527)	(13,796)	(13,985)	(14,173)
Dundee & Angus College	(2,233)	(2,355)	(2,402)	(3,274)	(3,340)	(3,407)	(3,453)	(3,500)
<b>Total</b>	<b>(335,596)</b>	<b>(354,000)</b>	<b>(361,000)</b>	<b>(492,000)</b>	<b>(502,000)</b>	<b>(512,000)</b>	<b>(519,000)</b>	<b>(526,000)</b>



**REPORT TO:** TAY CITIES REGION JOINT COMMITTEE – 9 DECEMBER 2022

**REPORT ON:** DIGITAL SKILLS PROJECT (TCD024 b) – BUSINESS JUSTIFICATION CASE

**REPORT BY:** MORAG MILLAR, STRATEGIC GROWTH & CITY DEALS PROGRAMME MANAGER, FIFE COUNCIL

**REPORT NO:** TCD15-2022

## **1.0 PURPOSE OF REPORT**

**1.1** This report seeks approval of the Business Justification Case (BJC) for the Digital Skills Project (TCD024 b), part of TCD024 Regional Skills and Employability Development Programme.

## **2.0 RECOMMENDATIONS**

**2.1** The Joint Committee is asked to:

- a. Consider this report and the BJC for Digital Skills (TCD024 b). The full BJC is available via ShareFile on request.
- b. Note that the Management Group has approved the BJC for Digital Skills on 24<sup>th</sup> November 2022.
- c. Approve the Digital Skills Business Justification Case.

## **3.0 INTRODUCTION**

**3.1.** The Report (TCRJC3-2022) to the Tay Cities Region Joint Committee on 11 March 2022 approved the Programme Outline Business Case for the Regional Skills and Employability Development Programme (TCD024). Digital Skills is one of the Phase 1 projects in that Programme.

**3.2.** The Regional Skills and Employability Development Programme was awarded up to £20 million in revenue in the Heads of Terms Agreement dated 22 November 2018. This project has been selected by the Regional Skills and Employability Development Programme and awarded up to £4.324m. The project will have two distinct tranches:

Tranche 1 from 2022 – 2025, and Tranche 2 up to 2029. This BJC relates to Tranche 1 and the investment of £1.539m. This project will deliver a new collaborative, regional approach to digital skills. This will provide clear, integrated, and inclusive progression routes into digital and data careers. It aims to support the regional labour market through skilling, re-skilling and upskilling in digital skills, building activities with opportunity in-mind. The BJC for Digital Skills is presented for approval which if granted will enable the project to draw down the allocated funding. Funding is drawn down when the project submits a claim for money which has already been spent.

#### **4.0 DESCRIPTION OF PROJECT**

- 4.1 Embedding skills to support digital and data-driven innovation across a wide range of sectors is essential to ensure that these sectors and their workforce can adapt and compete in the future economy. In addition to the increasing opportunities for specialist roles within digital and creative industries across the region, other sectors are increasingly demanding digital skills in their workforce, with 60%<sup>1</sup> of those in digital technology roles employed in non-technology businesses.
- 4.2 This project will focus on intermediate, advanced and professional digital technology skills – not just for the technology sector but for other sectors too. It will have two distinct tranches: Tranche 1 from 2022 – 2025, and Tranche 2 up to 2029. It should be noted that the project will deliver on its own timescale and these tranches will not necessarily align with the phases of the overall Programme. Both phases will include enabling activity to drive system change and direct delivery. COVID-19 has meant that there has been a substantial increase in people working from home, with expectations that 20-50% of them<sup>2</sup> will continue to do so once the pandemic is under control.
- 4.3 Businesses within the region are recruiting remote workers who can be based anywhere, and remote working for businesses located outside of the region may present future opportunities for some residents. The project aims to ensure our citizens have the ability to take advantage of digital opportunities wherever they arise, perform to their best, and support the region’s growing digital economy.
- 4.4 This project has a direct link to the whole City Deal, as part of the vision to improve the connectivity to, from, and within the region (both physically and in terms of infrastructure). Investment in the digital infrastructure to improve regional connectivity will require a suitably skilled population to take advantage of the opportunities this will create. This project will help upskill the population to fully capitalise on this investment. The project will be committed to working with other City Deal projects (within and out with this Programme) as well as other stakeholders and partner services to deliver services to benefit everyone across the region. Further, the project will work with similar Programmes in other City Region Deals (e.g. Edinburgh and South East Scotland City Region Deal Data Skills Gateway) to share information, best practice, and learning.
- 4.5 In looking to increase awareness of the increased education and employment opportunities for our residents, the project will undertake localised marketing activities to raise awareness of national digital skills programmes and establish a regional digital employers forum. The project will work to ensure inclusive growth and coverage by

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<sup>1</sup> N.B. Figure provided by project lead, based on project specific analysis and research

<sup>2</sup> Source: Ibid.

focusing activity on specific groups such as women returners, those with disability (including neurological), those from the most deprived areas, and those in rural areas.

## 5.0 FINANCIAL IMPLICATIONS

5.1 This project is currently profiled to spend a total of £1.539m revenue from the Tay Cities Region Deal funding. The funding is anticipated to be drawn down as follows:

2022/23	2023/24	2024/25	Total
£0.203m	£0.553m	£0.783m	£1.539m

The project has no levered in funding.

## 6.0 IMPLEMENTATION PLAN

6.1 The following delivery plan sets out the key activities to deliver the outcomes expected by the business case. Year 1 contains more specific activities that can be identified at this stage while Years 2 and 3 show more general actions which will be sub-divided into targeted tasks when the digital skills team are appointed.

### 6.2 Milestones

Deliverable	Due Date	Status
Digital Skills Posts recruited	31 Dec 2022	Started
Regional Digital Leadership Forum established	31 March 2023	Started
Grant administration process set-up	31 March 2023	Not yet started
Map Existing Digital Skills supply in region. Develop online portal (if required).	30 June 2023	Not yet started
Joint recruitment with SDS regionally/locally –for tech and digital economy sectors	31 March 2025	Not yet started
Tailored regional digital skills delivery programmes	31 March 2025	Not yet started
Delivery of DDI CPD resources for Education and refine education strategies	31 March 2025	Not yet started

### 6.3 Outcomes and Targets

Targets	Baseline	Target Uplift	Date
Individuals or beneficiaries supported directly or indirectly through Phase 1 of the Digital Skills Project.	0	180	31/3/25
Delivery partners involved in Phase 1 from all sectors (business, public sector, education etc.).	0	60	31/3/25
Developing seamless pathways in the education sector (including schools).	0	3	31/3/25
Plugging the digital skills gap so current vacancies can be filled. (% of Scottish businesses find recruiting	75%	40%	31/3/25

qualified individuals with up-to-date digital skills is a challenge.			
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## 6.1 Key Project Risks and Mitigations

Risk	Mitigation
Delays in procurement of interventions mean delivery is slow during 2022/23 and the project fails to invest as profiled.	Use of existing frameworks and delivery processes to start procurement quickly. Procurement strategy to be developed for the project once Project Manager recruited.
Delays in recruitment of a Digital Skills Manager/Officer mean delivery is slow during 2022/23 and the project fails to invest as profiled.	Recruitment process will be started at the earliest opportunity. This will utilise different mediums of communication as well as explore opportunities for internal recruitment from local authorities and FE/HE organisations.
Lack of market demand from both individuals and businesses to achieve participation and investment levels within period specified.	Joint working with Local Authorities, Business Gateways, National Agencies, He/FE organisations and private sector training and skills providers to create effective marketing and engagement processes, with simple referral processes.
Risk of duplication with other public sector digital skills initiatives.	The Project Manager will work with the SDS Digital Skills team on a part-time secondment basis to fully understand and align with national digital economy skills action plan once published. Regional employer-led Digital leadership forum to be established. Also, the role of the Project Board members.

## 7.0 DECISION PATHWAY

7.1 The project has met the decision pathway milestones as follows.

Decision pathway milestones and planned timeline			
Stage	Milestone	Planned date	Date achieved
BJC	Governments' approval	15/11/22	03/11/22
	Thematic Board recommendation	25/10/22	25/10/22
	Management Group recommendation	24/11/22	24/11/22
	Joint Committee approval	15/11/22	

## 8.0 CONDITIONS

8.1 NONE.

## 9.0 POLICY IMPLICATIONS

9.1. This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty and Environment.

- 9.2. The Equality Impact Assessment confirmed that the project meets the general duties under the Equality Act 2010 and addresses socio-economic disadvantage or inequalities of outcome as significant activity will be aimed at improving the operation of the labour market for digital skills. Activities and grant funding will prioritise disabled residents or businesses employing disabled people (including neuro diversity), female residents or businesses employing women, and residents or businesses employing residents from the region's areas of high deprivation and remote rural areas. This will help these Protected Groups develop intermediate, advanced, and professional digital technology skills – not just for the technology sector but for other sectors. These skills will enable them to work at home/remotely and for higher wages.
- 9.3. The Carbon Categorisation confirmed that as the project is likely to become operationally net zero (with no capital spend on equipment or construction), this would be a Control Category 2 (i.e. whole life carbon net zero). As the project is unlikely to have a quantifiable (even estimable) effect on wider carbon emissions, this would be an Influence Category B. No environmental impact assessment was carried out as there is no capital spend on equipment or construction.

## **10.0 CONSULTATIONS**

- 10.1 The Tay Cities Region Management Group were consulted in the preparation of this report.

## **11.0 BACKGROUND PAPERS**

- 11.1 Report to Tay Cities Region Joint Committee, 11 March 2022. TCD024 Regional Skills and Employability Development Programme – Programme OBC (TCRJC3-2022).

## APPENDIX 1

Project Information	
Project number	TCD024 b
Project name	Digital Skills
Project owner	Morag Millar
Responsible Finance Officer	Ashleigh Allan
Management Group Sponsor	Ken Gourlay/Ronnie Palin
Award amount under TCD	£1.539m (Tranche 1): £2.8m (Tranche 2)
Jobs - target number of jobs to be created	Tranche 1 - 5
Leverage to be achieved	None



## APPENDIX 2: EXECUTIVE SUMMARY

## EXECUTIVE SUMMARY

	Capital (£'000)	Revenue (£'000)
City Deal Ask	NIL	Year 1 £0.203m Year 2 £0.553m Year 3 £0.783m <b>Total £1.539m</b>

Output / Benefits	Target
Key project infrastructure (Project Manager, Regional Digital Skills Employers Forum, Resource-lite grant administration system) in place.	31/3/23
180 individuals or beneficiaries supported directly or indirectly through Phase 1 of the Digital Skills Project.	31/3/25
60 delivery partners involved in Phase 1 from all sectors (business, public sector, education etc.).	31/3/25
Developing seamless pathways in the education sector (including schools).	31/3/25
Plugging the digital skills gap so current vacancies can be filled.	31/3/25
Supporting the non-tech sector to embrace tech.	31/3/25

The project is needed to address current issues and problems with digital skills in the region and nationally: -

- 75% of Scottish businesses find recruiting qualified individuals with up-to-date digital skills is a challenge. As a counterpoint to this, business needs are currently not well understood;
- Educational and Career Pathways are currently not aligned; and
- Under-represented groups often do not have access to the equipment, and/or the skills required to participate online.

As Tay Cities Deal investment through the Employability and Skills Programme must not be used to displace existing funding, the Digital Project will not fund basic digital skills for the general workforce. This project will focus on intermediate, advanced, and professional digital technology skills – not just for the technology sector but for other sectors. The project will have two distinct phases: Phase 1 from 2022 – 2025 and Phase 2 up to 2029. This single stage business case covers Phase 1, the first 3 years of the project.

The aim of the project is to support the regional labour market through skilling, re-skilling, and upskilling in digital skills, building activities with opportunity in-mind. There are 3 Business Needs and Service Requirements that must be met by the project: plugging the digital skills gap, understanding/satisfying business needs and creating unrivalled talent.

To generate options to meet these factors, a series of workshops generated a long list of options that were subsequently refined to a short list of 5 options for appraisal. After a thorough scoring and weighting exercise, the option of a Regional Intervention was selected as the preferred solution.

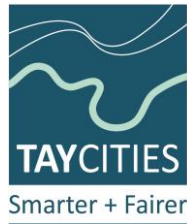
This option aims to commission delivery partners across Tay Cities Region, creating a network between these partners to share learning and to promote consistency of approach using a range of strategies. Year 1 will focus on creating the appropriate infrastructure upon which real, tangible results can be delivered in Years 2 and 3. This includes key appointments of digital skills project management staff and consultants.

The work in Phase 1 is to prepare the way for satisfying longer-term goals of: developing seamless pathways in the education sector (including schools); plugging the digital skills gap so current vacancies can be filled; and supporting the non-tech sector to embrace tech. The Phase 1 work must quickly and flexibly help individuals and businesses recover from the pandemic so regional delivery of national initiatives to increase participation and take up will be an early priority.

To meet these objectives, the following key actions will be carried out once the relevant infrastructure is in place: -

- Development of an effective Digital Leadership Group and Employers Forum, providing direction on the priorities for the Phase 2 Business Case.
- A unified offer for the priority customer groups.
- Establishment of a challenge-based, resource-light grant system.
- Fully operational signpost and matching portals for employers and educationalists (Note: this may be developed by SDS as part of the Digital Economy Skills Action Plan that is under development).
- Buy-in and commitment from education partners.
- CPD strategies for education partners – including targets and recording systems.
- A more systematic partnership exists between the private sector and schools.
- Evidence can be demonstrated that digital skills levels in excluded groups have risen.
- Employer led short courses (or intensive, or immersive learning or modular courses) have taken place and are continuing.

Development of an Outline and Full Business case for Phase 2 activities to be undertaken by the Project Manager and Sponsor during Year 3, subject to approval of the Skills Advisory Board. Ambitions are high for the project. By the end of Year 3 (31 March 2025), over 180 individuals (30% of the total for the whole project) should be supported directly or indirectly through the activities with almost 60 delivery partners (30% of the total for the whole project) involved from all sectors (business, public sector, education etc.). 50% of the beneficiaries will be female, 4% BME and 10% disabled in line with the targets for the Regional Skills and Employability Development Programme.



**REPORT TO:** TAY CITIES REGION JOINT COMMITTEE

**REPORT ON:** TAY CITIES REGIONAL ECONOMIC STRATEGY & REGIONAL COLLABORATION

**REPORT BY:** JILL PATERSON, ANGUS COUNCIL (FOR HEADS OF ECONOMIC DEVELOPMENT GROUP)

**REPORT NO:** TCD16-2022

## 1. PURPOSE OF REPORT

- 1.1. This report provides an update on the work to refresh and refine the Tay Cities Regional Economic Strategy Action Plan in the context of Regional Collaboration activity.

## 2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to consider this report and,
- i) Note the current activity on regional collaboration to help reshape and refine the Action Plan to improve monitoring and outcomes.
  - ii) Note that following this work a revised Action Plan and governance/reporting programme will be reported to Management Group/Joint Committee.

## 3. BACKGROUND

- 3.1. The Tay Cities Regional Economic Strategy Action Plan seeks to implement approaches arising from the Regional Economic Strategy agreed in 2019 and was developed through an initial event in January 2020 with the four partner councils, Dundee and Angus, Fife and Perth & Kinross and Tactran, Chambers of Commerce, Scottish Enterprise and SDS to ensure alignment to the Skills Programme Outline Business Case. The aim was to review the Regional Economic Strategy and develop actions that addressed the priorities identified therein. There was also discussion with VisitScotland and the Chair and Vice Chair of the Tay Cities Regional Enterprise Executive.
- 3.2. The Action Plan was revised in light of COVID-19 pandemic and a revised scope developed from May – June 2020. The Action Plan was further refined to consider emerging priorities from national and regional strategies and COVID-19 recovery plans. A revised Action Plan was agreed by the Joint Committee in December 2021.
- 3.3. The Heads of Economic Developer oversee delivery of the Action Plan and there is a monitoring and reporting framework to oversee progress.

## 4. CURRENT POSTIION

- 4.1. Success of the approach to regional working across the Tayside partners has always been on the premise of a more informal approach focused on the funding vehicle of City Region deals and other initiatives rather than a formal partnership arrangement. There is a reluctance to pursue the latter given the success of the existing working

arrangements and concern that a more formalised approach increases the governance without added value. The Scottish Government is currently undertaking work to look at regional economic partnership approaches however there is no steer on this and recent updates suggest an alternative approach.

- 4.2. In consideration of the Regional Economic Strategy and accompanying Action Plan Partners considered that there was a need to be clearer about priorities and pinpoint where limited resource should be directed to collaborate on the areas which would deliver the greatest value. This is particularly important as the Tay Cities Deal moves into delivery. The focus over this year has therefore shifted to working towards refining priorities to evidence better added value and outcomes.
- 4.3. An initial facilitated visioning session was held with the Management group in October 2022 with a further session to be scheduled in late January/early February 2023. This initial session helped to refine the direction and start to develop options for where there are opportunities for greater collaboration. In advance of the next session work will take to further develop the options cross referencing with the Action Plan.

## **5. NEXT STEPS**

- 5.1. The aim of the follow up workshop is to identify 2-3 areas of focus for regional collaboration, that is those topics/themes where collaboration demonstrates significant added value to help direct reducing resources.

Report author: Jill Paterson

Date: 15 November 2022