

City Chambers
DUNDEE
DD1 3BY

17th March, 2023

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, 24th March, 2023 at 10:00am, to be held remotely.

Please submit any apologies to Veronica Thomson, Committee Services Officer on telephone (01382) 434205 or by e-mail at 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 by **12 noon on 22nd March, 2023**.

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

- 1 **WELCOME AND APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**
- 3 **MINUTE OF MEETING OF 9TH DECEMBER, 2022 - Page 1**

(Copy enclosed).

PART 1: REGIONAL COLLABORATION

- 4 **CLEAN GROWTH UPDATE FOR INFORMATION - Page 6**

(Report No TCRJC1-2023, introduced by Michael Wright, Scottish Enterprise, and presentation by Nora Ferda-McKay, Scottish Enterprise and Clean Growth Group Chair).

PART 2: TAY CITIES REGION DEAL

5 TAY CITIES REGION DEAL UPDATE

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

6 INFLATION

(Update by Robert Emmott and Mo Saunders, Programme Manager, PMO).

7 PITLOCHRY FESTIVAL THEATRE FBC FOR APPROVAL - Page 21

(Report No TCRJC2-2023, introduced by Barbara Renton, Perth & Kinross Council, and presentation by Kris Bryce, Pitlochry Festival Theatre and Project Lead).

8 MERCURY DRONE PORTS BJC FOR APPROVAL - Page 54

(Report No TCRJC3-2023, introduced by Alison Smith, Angus Council, and presentation by Mark Davidson, Angus Council and Project Lead).

9 ANNUAL PERFORMANCE REPORT FOR APPROVAL - Page 61

(Report No TCRJC4-2023 by Clare Slater, Tay Cities PMO).

10 BENEFITS REALISATION PLAN UPDATE FOR APPROVAL - Page 153

(Report No TCRJC5-2023 by Lauren Hollas, Tay Cities PMO).

11 PROPOSED PROGRAMME OF MEETINGS 2023

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

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

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

12 AOCB

13 DATE OF NEXT MEETING

Friday, 23rd June 2023.

ITEM No ...3.....

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely and in City Chambers, 2 High Street, Perth, on Friday 9th December, 2022.

Present: -

Angus Council

Councillor Beth WHITESIDE
Councillor Kenny BRAES
Councillor Ronnie PROCTER

Dundee City Council

Councillor John ALEXANDER
Councillor Mark FLYNN

Fife Council

Cllr David ROSS
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 Steven ROME, TACTRAN

Also Present

Roger MENNIE, Dundee City Council
Robert EMMOTT, Dundee City Council
Robin PRESSWOOD, Dundee City Council
Alison SMITH, Angus Council
Thomas GLEN, Perth and Kinross Council
Doug YOUNG, Dundee City Council
Magda PASTERNAK, Perth and Kinross Council
Ken GOURLAY, Fife Council
Morag MILLAR, Fife Council
Ronnie PALIN, Skills Development Scotland
Michael WRIGHT, Scottish Enterprise
Mark SPEED, TACTRAN
Jill PATERSON, Angus Council
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 (Articles I and II)
Councillor Grant LAING, in the Chair (Articles III to XII)

I APOLOGIES

Apologies had been intimated from Councillor Bill Duff, Councillor Georgia Cruickshank, Councillor Alycia Hayes, Councillor Andrew Parrott, Greg Colgan, Steve Grimmond, Margo Williamson, Barbara Renton, Gordon McGuinness, Iain Gillespie and Hayley Mearns.

II CHANGE OF CHAIR

In terms of Clause TWELVE of the Governance Agreement and Article II of the minute of meeting of the Joint Committee of 18th May, 2018, the Joint Committee noted that Grant Laing of Perth and Kinross Council had become Convener in succession to Councillor Beth Whiteside of Angus Council and appointed Councillor David Ross from Fife Council as Vice-Convener.

III DECLARATIONS OF INTEREST

There were no Declarations of Interest.

IV MINUTE OF MEETING OF 23RD SEPTEMBER, 2022

The minute of meeting of 23rd September, 2022 was submitted and approved.

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.

With regards to Business Case risks, the Joint Committee were informed that the Partnership were now in Year 3 of delivery, and that all projects and programmes should be looking to develop and secure approval of business cases ahead of the financial year that they were profiled to draw down.

Within the current year (3) £2.07m capital and £893k revenue (correct figure from presentation) had not secured Joint Committee approval. This could be a risk to both Project Owners and the Partnership. For Year 4 Projects, there were currently 6 business cases which have not secured approval to the value of £4.337m.

For year 3 capital projects, a total of £6.5m capital was forecast as underspend including the undernoted projects: -

Growing the Tay Cities Biomedical
Advanced Growth Plant Centre
International Barley Hub
Low carbon Transport Phase 1: Broxden

The CASI HQ and Crop Quality Centre Projects within the Angus Fund had confirmed that there would be no drawdown in this financial year against their awarded profile.

In summing up the end of year, it was reported that the Management group had approved reallocation of £1.410m from the 'asks' list, subject to projects confirming eligible expenditure before the year end. The Projects who received this acceleration were Tay Cities Engineering Partnership, Eden Campus, cyberQuarter and Hospitalfield. This would leave a current forecast capital underspend of £5.14m.

The Government had contacted the Management Group and Project owners to reiterate the importance of accurate forecasting, with partners being asked for their support in accurate forecasting for Q3 and monthly towards the end of the financial year and also highlighting and identifying an underspend as early as possible.

The 2022/23 and 2023/24 Business Case timetables for Revenue were also submitted, noting that there were currently four projects without Business Case approval within the programme, one of which was submitted for approval later on the agenda. The other projects were Life Sciences,

Supporting SME Skills and Hospitality, resulting in a £690k revenue underspend which would be reported formally to the Scottish Government.

Current change control requests were also highlighted, with Joint Committee informed that updates will be presented at future meetings.

The Joint Committee also noted governance arrangements regarding Audit Scotland, who were undertaking an assessment of the impact of the 2020 Audit Scotland report on Scotland's City Region and Growth Deals. This would assess progress against key 2020 recommendations, exploring if the recommendations had been implemented, the challenges and opportunities facing city deals and what could be learned. A survey was completed in this regard by the PMO and agreed by the Management Group.

Internal Audit actions were also ongoing, with the Joint Committee being informed of the additional clause within the 2022/23 Grant Offer letter around the requirement for internal audit by the Accountable Body. This will be undertaken in line with Public Sector Internal Audit Standards (PSIAS) and the summary submitted to the Scottish Government. An audit would be finalised in January 2023 with the results to be submitted to Dundee City Council Scrutiny Committee in due course.

Areas for concern on the Risk Register were highlighted, noting that these were being kept under constant review by the PMO Team.

The Chair thanked Mo for her presentation.

VI PMO OPERATIONAL BUDGET

There was submitted Report No TCRJC13-2022 introduced by Morag Saunders, PMO Programme Manager, seeking the approval of the Joint Committee to agree the PMO Operational Budget for 2023/24 and the term of the Deal.

The Joint Committee agreed to: -

- (i) note that the Management Group approved the PMO Operational Budget for 2023/24 and the term of the Deal on 24th November 2022; and
- (ii) approved the Operational Budget for 2023/24 and the term of the Deal.

VII AUDITED AND UNAUDITED ACCOUNTS – UPDATE

The S95 Officer, Robert Emmott, asked the Joint Committee to note that the accounts for Tay Cities Deal had been included formally in the accounts for Dundee City Council and that they had been audited and concluded. Copies of the accounts could be made available on request.

VIII DIGITAL SKILLS BJC FOR APPROVAL

There was submitted Report No TCRJC15-2022 enclosed and introduced by Morag Millar, Strategic Growth and City Deals Programme, Fife Council and Ken Gourlay, Executive Director of Enterprise and Environment, Fife Council seeking approval of the Business Justification Case (BJC) for the Digital Skills Project (TCD024 b), part of TCD024 Regional Skills and Employability Development Programme.

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) consider this report and the BJC for Digital Skills (TCD024 b);
- (ii) note that the Management Group had approved the BJC for Digital Skills on 24th November 2022; and

- (iii) approve the Digital Skills Business Justification Case.

IX REGIONAL DIGITAL UPDATE

A presentation was given by Doug Young, Development Officer, Dundee City Council, and Robin Presswood, Executive Director of City Development, Dundee City Council.

A brief description was given on the work of the Digital Thematic Board, which highlighted the increasing focus on digital infrastructure and regional digital economy. There were currently two Digital Board business cases – Rural Angus and Perth and Kinross Rural Broadband which had enabled the connection of 186 sites and the 5G Digital Testbed project. The Testbed project has an established Tay5G board for the oversight of project development and delivery. Various pathfinders had been identified and the Tay5G challenge fund had been launched with funded projects to commence in April 2023.

Key areas of regional collaboration work were outlined, with a substantial programme of engagement with digital infrastructure providers, including Openreach, CityFibre, Virgin Media and Neos Networks. Future goals included understanding current and future deployment plans, barriers and the utilisation of the Scottish Broadband Voucher Scheme. Work was continuing with Scottish Enterprise to identify future steps, and it was envisaged that a further national agency would be invited to join the Board to share their expertise and reflect a broader scope of activities.

The Digital Skills project was currently identifying opportunities for collaboration, noting that Scottish Enterprise's Regional Digital/Tech Ecosystem work would be critical. Going forward it was envisaged that a Regional Digital Infrastructure Strategy would be created, to maximise deployment throughout the region, with commercial barriers removed which would also support the growing knowledge economy and create a demand for digital skills. Officers would assist with engagement with suppliers and to maximise the uptake of vouchers throughout the region. The Tay5G Challenge Fund was launched for applications on 7th December 2022 with funded projects to commence on 1st April 2023 and to be completed by 31st March 2024.

The Chair thanked Doug and Robin for their presentation.

X REGIONAL ECONOMIC STRATEGY ACTION PLAN

There was submitted Report No TCRJC16-2022 enclosed and introduced by Jill Paterson, on behalf of the Heads of Economic Development Group, Tay Cities Deal, providing an update on the work to refresh and refine the Tay Cities Regional Economic Strategy Action Plan in the context of Regional Collaboration activity.

The Joint Committee considered the report and agreed to: -

- (i) note the current activity on regional collaboration to help reshape and refine the Action Plan to improve monitoring and outcomes; and
- (ii) note that following this work a revised Action Plan and governance/reporting programme would be reported to Management Group/Joint Committee in the future.

XI PROPOSED PROGRAMME OF MEETINGS 2023

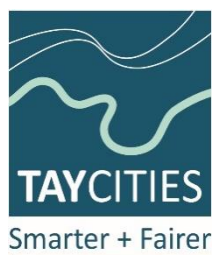
Friday, 24th March, 2023, to be held remotely
Friday, 23rd June, 2023, to be held remotely
Friday, 22nd September, 2023, to be held remotely
Friday, 8th December, 2023, venue to be confirmed

XII AOCB

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

XIII DATE OF NEXT MEETING

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



REPORT TO: TAY CITIES REGION DEAL JOINT COMMITTEE

REPORT ON: TAY CITIES CLEAN GROWTH INITIATIVE

REPORT BY: NORA FERDA-MCKAY, SCOTTISH ENTERPRISE

REPORT NO: TCRJC1-2023

1. PURPOSE OF REPORT

- 1.1. This report provides an overview of the Clean Growth Initiative (CGI) and seeks endorsement for the Implementation Phase activities.

2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to note and endorse:
- The updated CGI Vision / Mission / Goals
 - Programme of Activity (*Appendix 3*)
 - The people and financial Resource Plan (*Appendix 4*)
 - An overall funding commitment of £127,880 spend across all partners over 5 years as indicated in *Appendix 4*

3. FINANCIAL IMPLICATIONS

- 3.1. The Joint Committee is asked to note the overall 5 year spend in *Appendix 4*.
- 3.2. The Management Group approved the total of £76,000 over 5 years to support the development and implementation phases of the project. Match funding has been secured from Scottish Enterprise / SDI since 2021. Local Authorities indicated financial support over the next 3 years subject to budget approvals and Shared Prosperity Fund eligibility.

4. CLEAN GROWTH INITIATIVE (CGI)

- 4.1. The Clean Growth Initiative was borne out of an opportunity to exploit a regional competitive advantage and develop a regional proposition based around 'clean growth'. Clean Growth was defined in the UK Clean Growth Strategy 2018 as "growing our national income while cutting greenhouse gas emissions".¹
- 4.2. The aim is to stimulate economic growth, and the creation of new green jobs, in the development of low carbon products & services that directly support the wider global mission to tackle climate change and achieve environmental sustainability.
- 4.3. The Joint Committee approved Tay Cities Regional Economic Strategy Action Plan in December 2021 including an action to "Develop a regional Clean Growth Proposition and

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/700496/clean-growth-strategy-correction-april-2018.pdf

Action Plan". The overarching intent was to join up the individual city deal projects, drive synergies and develop a unique proposition in Clean Growth which seeks to position Tay Region domestically and internationally. This approach is closely aligned with a range of strategies including Scotland's National Strategy for Economic Transformation, The UK Clean Growth Strategy 2018, the UK's Industrial Strategy 2018, the Scottish Government's Climate Change Plan 2018-2032, the Tay Cities Regional Economic Strategy.

- 4.4. The initiative aims to address new market opportunities, productive business and regions and skilled workforce in alignment with NSET, adopts the definition of Clean Growth and recognises the ambitions of the UK Clean Growth Strategy in supporting projects with investment in innovation for clean growth, projects with low carbon transport and projects with focus on scalable clean, smart energy options. The Climate Plan emphasises the increase of good, green jobs and the delivery of place-based approach to green recovery. The Initiative translates these aspirations to meet the Regional Economic Strategy actions and utilise regional assets.
- 4.5. The Tay Cities Deal programme provides the foundation for the Clean Growth Initiative with 8 projects contributing directly to the Region's Clean Growth innovation ecosystem, representing a combined City Deal investment of £129m which is projected to leverage £186m of additional investment and the creation of 4,235² jobs.
- 4.6. The CGI currently embraces a wider group of 5 additional associated projects from the region in support of the Clean Growth theme. The involvement of other Clean Growth-related projects can enable the CGI to deliver even greater impact in addition to the TCRD benefits by utilising their networks.

The list of key projects can be found below and in [Appendix 1](#).

- 4.7. There are early estimates suggesting being over 300³ SMEs, many of which are funding and investment ready businesses, already in the Region capable of exploiting the clean growth market opportunities.

It is the aim of the CGI to expand the wider group of associated projects enabling greater regional collaboration, knowledge sharing, adding to the region's clean growth portfolio and hence promotion as a joined-up proposition.

- 4.8. A CGI cross partner working group (local authorities of Angus, Dundee City, Perth & Kinross and Fife plus Scottish Enterprise and SDI) was established to oversee the development of the Initiative reporting to the Innovative & International Thematic Board and supported by a wider Community of Practice (CoP). The CGI governance structure is contained in [Appendix 2](#).
- 4.9. Over the past two years the Working Group has undertaken a collaborative programme to map the specific areas in which the Tay Cities Region has competitive advantage and develop the tools by which that competitive advantage can be fully exploited to generate additional economic growth and new, high value green jobs. Reports on progress and the development of strategic direction have been periodically made to the Management Group and Thematic Board.

² Confidential: this information will form part of the Tay Cities Deal Annual Update released in 2023.

³ Via the networks of MSIP Accelerator programmes and tenant companies, University of St Andrews Eden Campus Entrepreneurship Hub / SME database / District Heating, Binn Ecopark & Project Beacon Strategic Networks, wider networks via Angus / Montrose Port + Forth & Tay Offshore Cluster businesses.

4.10. The CGI partners are fully committed to the delivery of the programme of activity and supportive of the aims of the initiative.

4.11. Tay Cities Clean Growth will complement wider, pan-Scotland 'clean' initiatives such as Offshore Wind, Oil & Gas Sector and Energy Transition, and Transition to Net Zero. Whilst the ambitions of these initiatives are inter-related, the CGI will be positioned so it does not replicate efforts delivered by these other programmes. We however aim to help promote collaboration and networks for the benefit of the Region.

4.12. A vision, mission and goals have been agreed between the partners:

The Vision:

Tay Cities Region will be an inclusive, vibrant and net-zero carbon economy by 2045. On our journey the region will become the location of choice for companies to test, demonstrate and roll out innovations in clean growth that will combat climate change and generate economic prosperity. We will align our passion, skills, innovation assets and places behind this overarching goal.

The Mission:

By 2030, this will be achieved by:

- *Focusing on our internationally recognised innovation strengths in energy management/clean energy, sustainable mobility, green agri-tech, the circular economy⁴ and Data & Digital Solutions.*
- *Developing a regional scale living lab, with a shared mantra of "yes we can"*
- *Harnessing the power of markets, the public sector, and consumers to drive demand for innovative low carbon products and services.*
- *Nurturing and attracting new talent to remain at the leading edge, in recognition that people are our strongest asset.*
- *Being outward looking and embrace new thinking such as Industry4.0*
- *Inspiring our communities to participate so that we deliver clean growth opportunities in all of our places – the cities, the towns and the countryside*
- *Implementing at pace our climate change action plans and City Deal investment programme.*

The Goals:

- *Leverage our Regional Assets*
- *Produce additional High Value Green Jobs*
- *Investment and Economic Growth*

While assisting the region's transition to Net Zero and strengthening Regional Collaboration.

4.13. At the core of the Tay Cities Region Deal are the creation of good, high value, green jobs, leveraging regional assets and investing in the delivery of economic growth. These reflect the goals of the CGI.

4.14. The next section of the report sets out how this Vision will be realised as the Initiative moves through the design and development phase into full implementation.

⁴ following completion of mapping work, it is proposed to add a 5th cross-cutting theme of Data & Digital Solutions (see para 4.15.1.)

4.15. **2021-2022: Design and development phase & Outputs so far**

4.15.1. Mapping / Taxonomy:

To enable the design of a full programme, a mapping exercise was undertaken tasked with delivering advice on the region’s competitive advantages (USPs), driving project synergies, creating a website for collaboration and proposing narrative to promote the region.

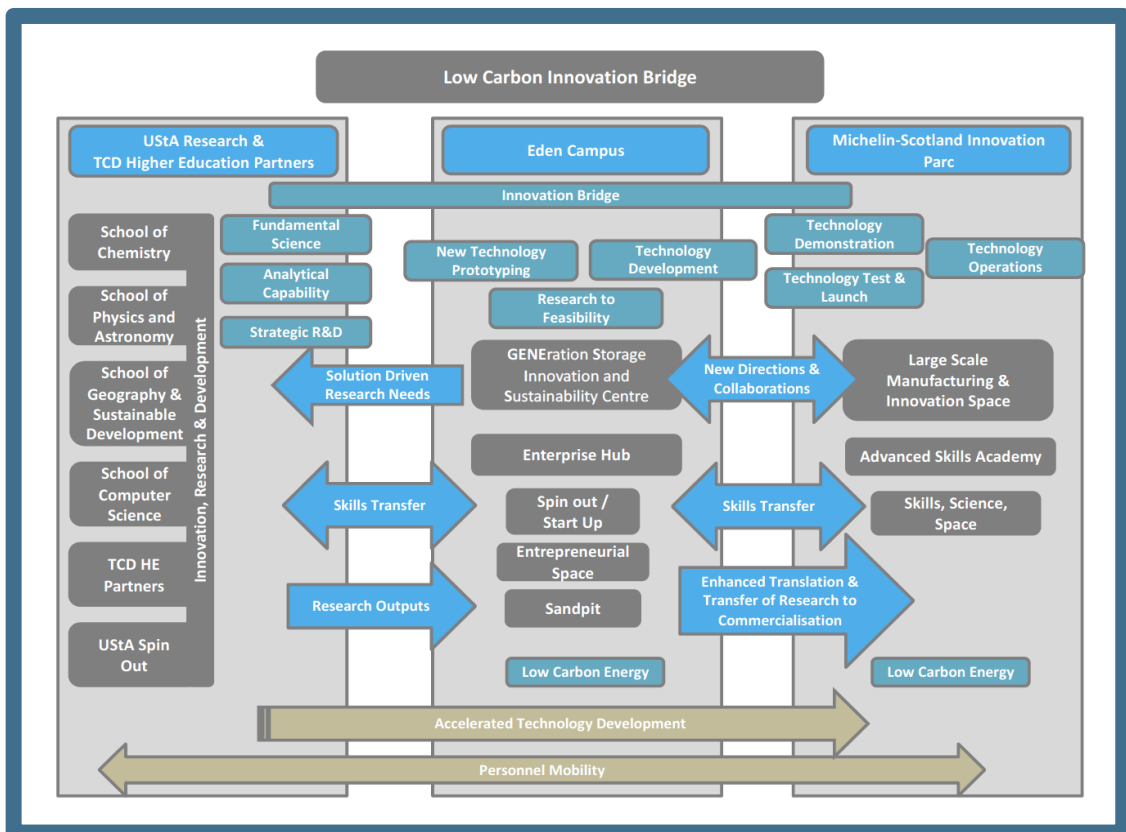
The mapping report validated the CGI Proposition’s USP themes of Sustainable Mobility, Green Agri-tech, Clean Energy (Energy management) and Circular Economy. It further recommended the addition of a 5th cross-cutting category entitled “Data & Digital Solutions”

4.15.2. Synergies:

The mapping showcased current synergies and highlighted the fact that businesses and projects are already, organically exploring and creating connections which we can build on.

One example of these synergies is the ‘low carbon bridge’ developed between the Eden Campus / University of St Andrews and MSIP, and is shown below and in Appendix 6.

In this scenario, we think of an example in attracting a hydrogen powered, low carbon vehicle manufacturer to use the expertise and research opportunities in fuel cells and battery of Eden Campus / University of St Andrews, develop its prototype at MSIP, utilise Perth Innovation Highway and/or Angus Rural Mobility Hub as a testbed and manufacture the product in the region, potentially at MSIP.



Other similar synergy examples can show how we would *potentially* deploy the region’s Clean Growth and innovation assets in a real-world test bed scenario example:

- utilising the expertise, research and innovation capabilities of the James Hutton Institute in applied plant science using the Barley Hub and Advanced Plant Growth Centre, trialling crops and techniques at CASI's partners and local farms while using potential new technology prototyped and manufactured at MSIP for low carbon agricultural vehicles. There could be linkages in trialling the low carbon agriculture vehicles at local farms.
- Binn Ecopark (location of Project Beacon) developing clean energy generation capabilities with the help of Eden Campus / University of St Andrews, turning waste heat into electricity or hydrogen and linking these to Perth via a Smart Energy Network or combined private wire.

Beyond the Clean Growth portfolio, other relevant Tay Cities Deal projects with synergies include the Angus fund, Advanced Manufacturing Programme, cyberQuarter and the Skills Programme.

4.15.3. Community Website / Promotion:

A community website has been developed which is underpinned by and built on the USP Themes. A Clean Growth brand and promotional presentation template have been developed in parallel which will allow the partners to promote the region.

The website build was completed in March 2022. It is now in a soft launch pilot phase to stress-test and allow adjustments. It is awaiting public launch proposed in April 2023.⁵

The chosen website domain name of *taycitiescleangrowth.scot* has been purchased along with *.org* and *.com* variations.

The website is an online networking tool to facilitate collaboration and knowledge-sharing between Clean Growth sector businesses, organisations, academia and individual members, drive synergies between programmes, projects, and businesses, and provide a platform to showcase and promote the region internationally. The platform provides access to funding information. Its ultimate aim is the stimulation of further commercial opportunities and economic growth in the Tay Cities region.

The website structure is based on the Clean Growth themes and taxonomy (*Appendix 5*). Projects and Organisations can be categorised for ease. The data is downloadable from the site and can be analysed to help identify existing / emerging specialisations, focus areas, and the composition of regional business base relating to Clean Growth.

This paper asks the Joint Committee to note the www.taycitiescleangrowth.scot website details and proposed public launch in April 2023 with an in-person event.

4.15.4. Tay Cities Clean Growth Skills Report:

As part of the Collaboration workstream, SE commissioned a regional Clean Growth skills report supported by SDS and HE/FE. The report will be delivered in April 2023. The report aims to map out current skills and education availability vs. business / industry / academia skills and labour requirements. Pinpoint any intersections and gaps, make recommendations on improvement, costs, funding and next steps. The report can be used to inform the future development of skills projects in the region supporting academia, business and local authorities. HE/FE Forum, SDS and SAB are linked into the study.

⁵ The site can be accessed by registering at www.taycitiescleangrowth.scot/register .

4.16. 2023-2026: Implementation Phase & Proposed further outputs

4.16.1. The Working Group (*para 4.8.*) has developed a refreshed Programme of Activity (*Appendix 3*) as the Initiative moves towards the first phase of full implementation. This collaborative Programme is designed to achieve the CGI Vision by leveraging our Regional Assets to produce additional High Value Green Jobs, investment and Economic Growth, while assisting the region's transition to Net Zero. This Programme of Activity includes 8 workstreams grouped under 3 integrated themes:

- Collaboration
- Promotion
- International, Investment, Innovation

For each individual workstream the Scope, SMART objectives, partner resources and CGI Aims have been set out together with a note of current status.

Some activities have already been completed, some are in progress, and some are yet to commence. There is a pipeline of exciting and informative actions set out in the programme.

4.17. Measuring Success

4.17.1. The ultimate measure of success for this Initiative is to support the existing City Deal Funded projects to achieve and exceed their stated economic outputs.

In addition, the regional working approach aims to provide additional wider benefits through a more effective, energised and collaborative Tay Region in the Clean Growth sector.

4.17.2. SMART objectives:

- Public launch of the website by April 2023
- Completion of regional prospectuses by April 2024
- Completion of the skills Audit by April 2023
- Recruitment of 300 individual members of the clean growth website by April 2024
- 2 in-person events by April 2024

4.17.3. At this early stage it would not be appropriate to assign any specific quantitative targets, however, the following supporting activity will be tracked:

- Number of international webinars and events at which CGI is promoted
- Volume of inward investment visits in the CG sectors
- Number of individual users, projects and organisations on the community website
- Periodic Management Information (MI) data analysis of website trends

The wider benefits will be realised through actively encouraging synergies, connecting projects and nurturing these relationships to deliver inclusive knowledge sharing and private sector engagement. This will aid presenting the region's strengths, assets and connections as a portfolio.

4.17.4. Reporting

This Programme will be reviewed periodically as the CG community develops and the Activities altered accordingly, taking into account potentially changing market intelligence and requirements. Suggestions for change will be made based on learnings

form the successes and challenges of delivery and in consultation with partners, Thematic Board and Management Group, seeking final approval from the Joint Committee.

The progress will be reported to the Joint Committee on an annual basis and 6 monthly to the Thematic Board and Management Group.

5. POLICY IMPLICATIONS

5.1. This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6. CONSULTATIONS

6.1. The Tay Cities Clean Growth Initiative Partners Working Group, the Tay Cities Region Deal Innovative International Thematic Board and Management Group were consulted in the preparation of this report.

7. BACKGROUND PAPERS

7.1. None.

Report authors: Nora Ferda-McKay
Title: Project Manager
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Phone number: 0131 460 8196

Date: 07.03.2023.

Appendix 1: Tay Cities Region Clean Growth Projects

Angus Council

1. Angus Fund*:
 - a) Angus Centre for Agricultural Sustainability
 - b) ZeroFour
 - c) Angus Rural Mobility Hub
 - d) Mercury Drone Port
 - e) Montrose 5g Project

Dundee City Council

2. Michelin Scotland Innovation Park

Perth & Kinross Council

3. International Barley Hub (James Hutton Institute)*
4. Advanced Plant Growth Centre (James Hutton Institute)*
5. Perth Innovation Highway*
6. Low Carbon Transport & Active Travel Hub Perth*
7. Perth-SEN (Smart Energy Network)
8. Perth Smart Energy City Programme
9. Perth Eco-Innovation Park
10. Binn Eco-Park, Perth
11. Project Beacon/Advanced Plastics Recycling (Sorting and Upcycling) Facility*

Northeast Fife

12. Eden Campus*
13. Stretch Dome Simulator*

*TCRD funded projects

Position within Tay Cities



Appendix 2: Clean Growth Initiative Governance

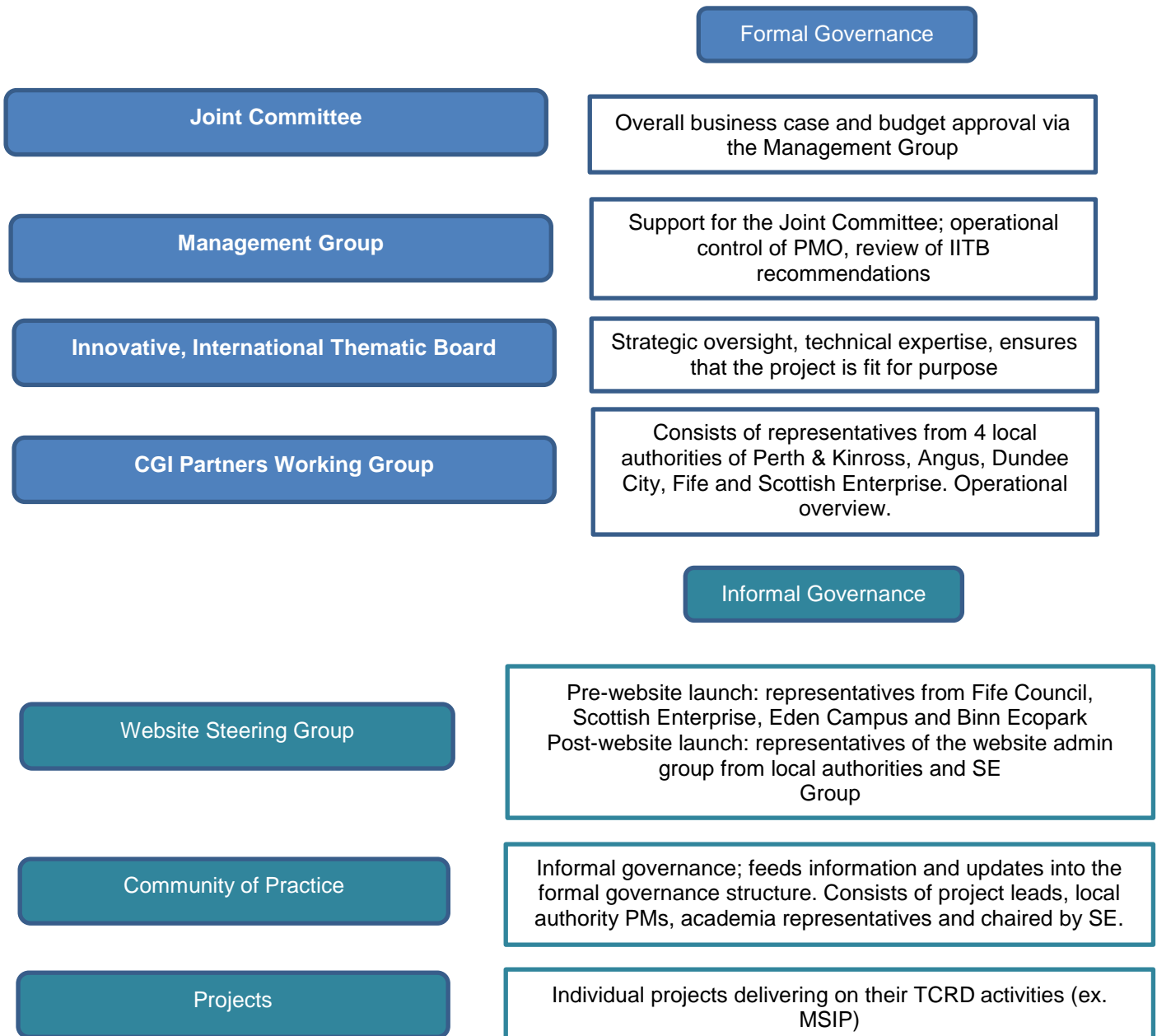
Governance:

The 2019 Joint Committee approved Regional Economic Strategy & Action Plan was supported by the Managements Group with the proposal to investigate Clean Growth as a key strand of regional collaborative working. It is led by the Innovative, International Thematic Board with sponsorship provided at the Management Group by Michael Wright, Scottish Enterprise (SE) and Alison Smith, Angus Council.

A CGI cross partner working group (local authorities of Angus, Dundee City, Perth & Kinross and Fife plus Scottish Enterprise and SDI) was established to oversee the development of the Initiative reporting to the Innovative & International Thematic Board.

A wider Clean Growth Community of Practice (CoP) – comprising representatives of all 13 Tay Cities Region Clean Growth projects, Local Authority and Academia – is chaired by Scottish Enterprise who updates the CGI Partner Working Group and suggests actions.

Scottish Enterprise provides Project Management and coordination.



Appendix 3: Clean Growth Initiative Proposed Programme of Activity

Proposed Clean Growth Initiative Activities						
Clean Growth Initiative (CGI) Partners: Angus Council, Dundee City Council, Fife Council, Perth & Kinross Council, SDI, SE						
Collaboration						
Workstream	Scope	SMART Objectives	Partner Resource	CGI Aims	Status	
1. Mapping	Mapping Report - confirmed 4 CG Sectors, added a Sector "5th Data & Digital for CG" and identified particular TC CG USPs Sustainable Mobility and Green-Agri Tech.	Validation of regional USPs - Report Finalised in Q4 2021/22. Add "Data & Digital Solutions" as a Clean Growth Sector to the Vision by Q4 2022/23.	SE & FC	Regional Collaboration Leverage Regional Assets	completed / ongoing	
	Innovation ecosystem mapping: The mapping / website workstream presented to HE/FE Forum Jun22 who validated the 5 key CG sectors and committed to review the Academia section of the TC CG Innovation Ecosystem Map.	Conclude Innovation Mapping Exercise engagement with HE/FE Forum in Q4 2022/23 Deliver: useful understanding of regional assets.	SE in consultation with HE/FE Forum		in progress	
2. Clean Growth Website	CG community website aims: 1. Facilitate collaboration and knowledge-sharing between business, projects, organisations, academia. 2. Drive and uncover project synergies. 3. Provide a platform to showcase and promote the region internationally. 4. Ultimately: create further commercial opportunities and economic growth.	Website created and pilot phase use launched in Q4 2021/22	SE & FC		Regional Collaboration Leverage Regional Assets	website completed
	Find and arrange permanent owner / host including legal and procurement arrangements between CGI Partners and website host	Agreement between Clean Growth Partners and Website Host in Q4 2022/23	SE and FC			Fife Council secured for 23/24
	Public Launch of Website	Deliver Public Launch and Event in Q1 2023/24	All Partners & Project Reps.			in progress
	Online networking taking place on the website	Achieve 300 Clean Growth Website individual members registered by Q4 2023/24	All Partners			to commence in line with public launch
	Download and interpret Website Data Outputs	Export MI website data quarterly and make available to the CGI partners for analysis Deliver: opportunity to support emerging trends.	All Partners	to commence after public launch		
3. Events / Roundtable	Bi-annual Events Programme	Hold two in-person clean growth events annually for private, academic, and public sector. Deliver: growing network, collaboration, regional growth.	All Partners	Regional Collaboration	to commence with the first even being the website launch	
	Tay Cities Networking Group	Continue quarterly Community of Practice online meetings and host at least 1 in-person CoP workshop per year	All Partners		in progress	
4. Industry and Partnership Engagement	Engage with Enterprise Forum and other business groups (e.g. chambers, FSB) to investigate best channels for business base engagement	Hold a meeting with the Enterprise Forum by end Q1 2023/24 Deliver: best way of engaging with the business base.	1 Partner (tbc)	Regional Collaboration High Value Green Jobs Support Transition to Net Zero	to commence in Q1 23/24 task: Connect with Alison Henderson and nominate a CGI champion	
	Mapping exercise: Targeted response to well-articulated needs from industry, business, and project. Deliver: input into delivery plans. Targeted assessment of local business needs via agreed channels (above).	Produce library of local clean growth business needs to inform current and future delivery plans by Q4 2023/24	All + Gateway		to commence in Q1 23/24	

	Local Authorities Sectoral Business Database Outputs & Propositions in Clean Growth Themes via Council, SE, Gateway database enquiry results and built on mapping (above)	Sharing and analysis of data on companies each CGI partner is working with to further engage as part of the Clean Growth Initiative. Include work within the Innovate UK Launchpad to understand existing SME supply chain.	All Partners		to commence in Q1 23/24
5. Skills Report	Procure and Undertaken Tay Cities Clean Growth Skills Report to identify which skills are required within the Tay Region to provide the workforce with the necessary ability to support the Tay Cities Clean Growth Initiative and Just Transition to a net zero economy and climate resilience.	Deliver Skills Report in Q4 2022/23 Deliver: clear understanding of skills landscape in Clean Growth to support public and private sector in planning next steps to address challenges	SE in consultation with HE/FE Forum and SDS	Regional Collaboration High Value Green Jobs	in progress

Promotion					
Workstream	Scope	SMART Objectives	People Resource	Clean Growth Theme	Status
6. Clean Growth Prospectus	Clean Growth Branding and Promotional Templates	Produce Clean Growth Brand, Guidelines and supporting presentation templates. Delivered Q1 2022/23	SE & FC	Regional Collaboration Investment Leverage Regional Assets	completed Q1 2022/23
	Tay Cities & industry partners' prospectus on 4 CG markets with overarching support from Data & Digital. Use template promotional brochures produced (detailed and summarised versions) for each Clean Growth Sector.	Produce Prospectus of 4 CG themes + Data & Digital by Q4 2023/24 Deliver: support material for domestic and international promotion	All Partners. Each partner leads on 1 CG Sector, and inputs into all 5 sectors. SDI Expertise critical. Abertay - Digital		support form SDI; to commence in Q4 2022/23
	Augmented / Virtual Reality videos	Produce 1 video to market at least 1 individual project by Q1 2024/25 Deliver: promotional material	1 Partner (tbc)		to commence in Q1 2023/24 task: nominate 1 project from TC area

International, Investment, Innovation					
Workstream	Scope	SMART Objectives	People Resource	Clean Growth Theme	Status
7. International & Investment	Inward Investment webinar programmes to showcase regional projects	SDI to extend invitation to investment webinars to members and project leads	SDI	Investment	to commence in Q1 2023/24
	Inward Investment Visits to showcase regional investment opportunities	SDI to arrange TC Clean Growth sector inward investment visits when requests are made.	SDI	Investment	to commence in Q1 2023/24
	Raise Awareness of Clean Growth across all partner organisations and private sector to aid efficient collaboration	Each CGI Partner to internally promote CGI to extend reach and raise awareness across relevant teams.	All Partners	Regional Collaboration	to commence in Q1 2023/24
	SDI to produce lead referral process for investment enquiries received by SDI	SDI to produce and use referral process within 2023/24	SDI	Investment	Eric Simpson
8. Innovation	Innovate UK - Launchpad Programme	Submit CG bid to Innovate UK in Q3 2022/23 Deliver: a more efficient connection with Innovate UK for the benefit of the regions CG projects.	SE & MSIP	Regional Collaboration High Value Green Jobs Support for Transition to Net Zero	in progress

Appendix 4: Clean Growth Initiative Proposed Resource Plan

1. CGI Project costs

	Outputs	2021/22	2022/23	2023/24 Estimated	2024/25 Estimated	2025/26 Estimated
Collaboration	Mapping Report					
	Website Operation & Development	£ 39,000	£ 2,500 (operation) £ 2,880 (development)	£ 5,800	£ 5,800	£ 5,900
	Website Marketing / Launch			£ 8,000		
	Events Programme			£ 6,000	£ 6,000	£ 6,000
	Skills Report and spin-out projects to deliver the findings of the report and address any skills gaps		£ 30,000	Tbc*	Tbc*	Tbc*
Promotion	Promo Video				**	
International	Clean Growth Prospectus			£ 10,000		
	Totals	£ 39,000	£ 35,380	£ 29,800	£ 11,800	£ 11,900
	Overall Total					£ 127,880

NB

*dependent on LA budgets, how these are finalised and committed

**project owner co-funding, approximate total £30,000

2. CGI Funding

	2021/22	2022/23	2023/24	2024/25	2025/26
TC PMO Budget	£ 19,000	£ 2,500	£ 5,800 £24,000	£ 5,800 £ 6,000	£ 5,900 £ 6,000
Scottish Enterprise / SDI	£ 20,000	£ 2,880 £ 30,000			
Local Authorities (incl. UK Shared Prosperity Fund**)		Tbc*	Tbc*	Tbc*	Tbc*
Approved	£ 39,000	£ 35,380	£ 29,800	£ 11,800	£ 11,900

NB

*Any additional LA contribution will deliver key priorities identified in the workstreams. Subject to LA budget approvals on a year-by-year basis

** confirm LA plans committed for 22/23 and 23/24 and forecasted for 24/25 & 25/26 under UKSPF

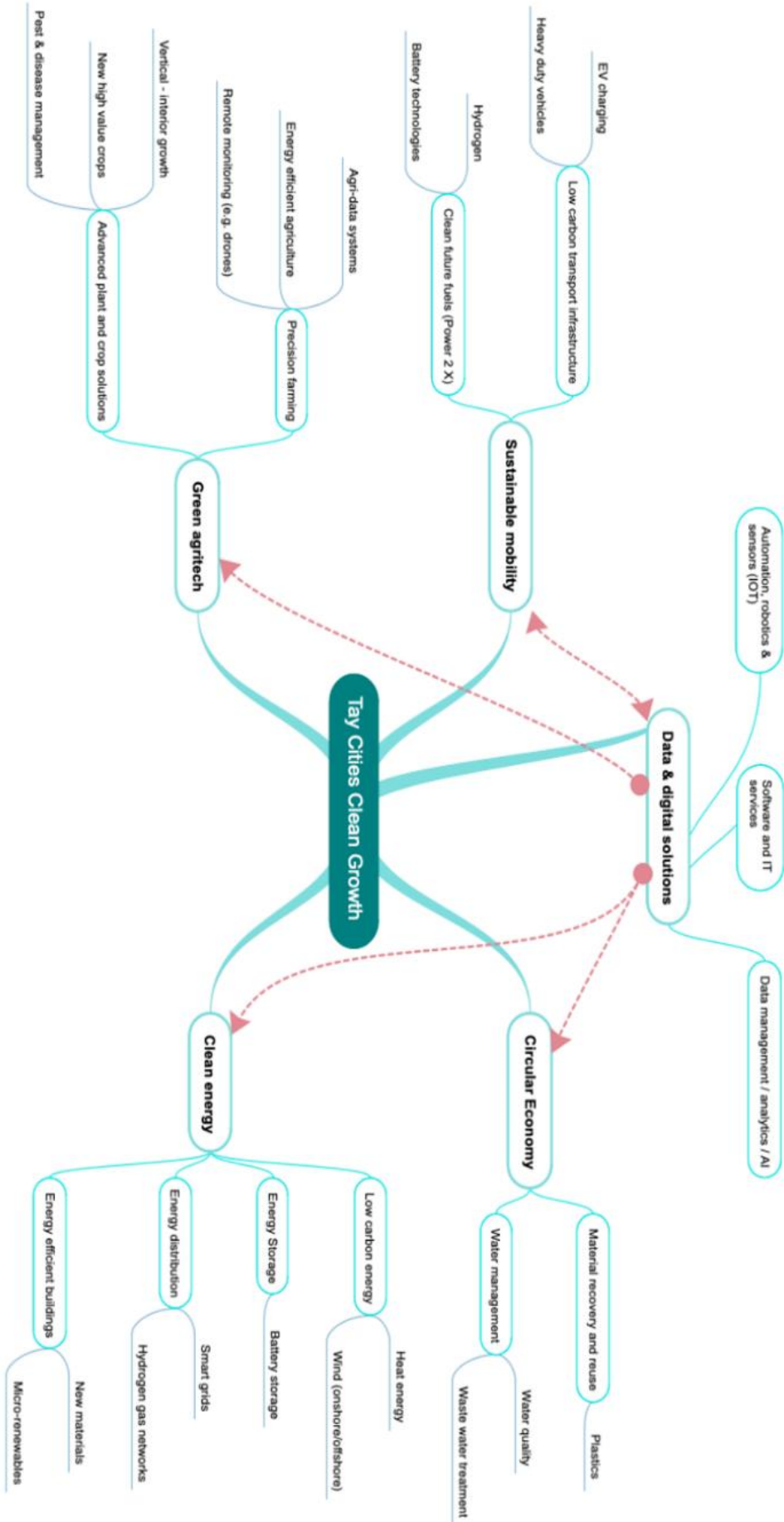
3. CGI People Resources

	2021/22	2022/23	2023/24	2024/25	2025/26
Angus Council	0.3 FTE	0.3 FTE	0.8 FTE	0.8 FTE	0.8 FTE
Dundee City Council	0.3 FTE	0.3 FTE			
Fife Council	0.3 FTE	0.3 FTE			
Perth & Kinross Council	0.3 FTE	0.3 FTE			
SE / SDI	0.7 FTE	0.8 FTE	0.8 FTE	0.8 FTE	0.8 FTE
Totals	1.9 FTE	2 FTE	1.6 FTE	1.6 FTE	1.6 FTE

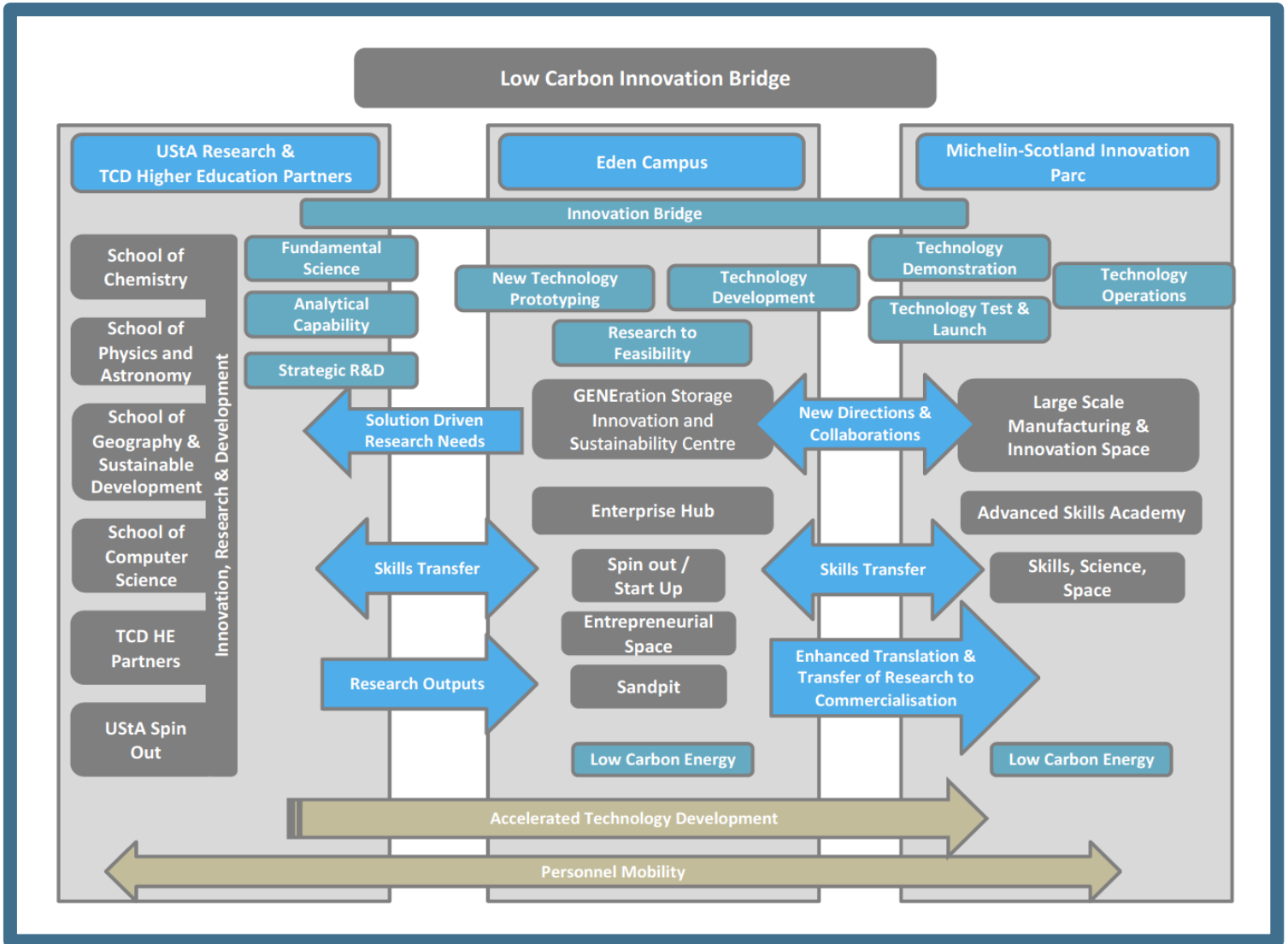
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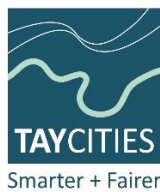
Council contribution (aggregated) over time and it is to match SE/SDI contribution. This plan recognises that at different stages of implementation, support will be required from different partners. It is understood that a CGI Partner remains a member of the Working Group. SE providing project management.

Appendix 5: Clean Growth Initiative Taxonomy



Appendix 6: Clean Growth Synergy – Low Carbon Innovation Bridge





REPORT TO: TAY CITIES REGION JOINT COMMITTEE

REPORT ON: TCRD018 PITLOCHRY FESTIVAL THEATRE – VISION 2021 – FULL BUSINESS CASE FOR APPROVAL

REPORT BY: BARBARA RENTON, EXECUTIVE DIRECTOR OF COMMUNITIES, PERTH & KINROSS COUNCIL

REPORT NO: TCRJC2-2023

1. PURPOSE OF REPORT

1.1. This report seeks approval of the Full Business Case (FBC) for the **TCRD018 Pitlochry Festival Theatre – Vision 2021** from the Joint Committee.

2. RECOMMENDATIONS

2.1. The Joint Committee is asked to:

- i. Consider this report and the FBC for TCRD018 Pitlochry Festival Theatre (PFT) – Vision 2021. The full FBC is available via ShareFile on request;
- ii. Note that both Governments approved the business case on 6th February 2023, subject to conditions set out in section 8, and the Culture & Tourism Board recommended the FBC to Management Group for approval on 6th February 2023;
- iii. Note the conditions at Section 8 to provide updates in the FBC before presentation to Joint Committee to amend the business case to illustrate how the Project will comply with Deal Governance, which is now addressed;
- iv. Note that the Project has identified a total of 272 jobs in the FBC, an increase of 42 since Deal Signing, and an additional £1.3m leverage;
- v. Note that the Management Group recommended the FBC for approval to the Joint Committee on 23rd February 2023; and,
- vi. Approve the FBC for Pitlochry Festival Theatre.

3. INTRODUCTION

- 3.1. This project was awarded up to £10m at Deal Signing in December 2020. The FBC 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. The key project information is at Appendix 1.
- 3.2. With the pandemic closing Pitlochry Festival Theatre's doors for public safety in March 2020, the theatre worked with their client team to accelerate works on site. In September 2020, they appointed a design team for a first phase of works to extend their front of house areas and create a second performance space. Construction began in January 2021 and Phase 1A was completed in May 2022. The scheme was extended from the original scope, given the forced closure, which will avoid time on them in the future. Now that doors have reopened, the Theatre's audiences have confidence that they will remain open throughout future construction works. The next Phases 1B and 2 will focus on making the building wind and watertight, as well as upgrading the auditorium, stage house and rehearsal facilities. PFT will also replace significant mechanical, electrical and plumbing (MEP) services, which will enhance the Theatre's sustainability and environmental impact, which will support their ambition to be Scotland's first carbon net-zero Theatre.

4. DESCRIPTION OF PROJECT IN THE DEAL DOCUMENT

- 4.1. The project will build upon PFT's proud history of quality and creativity by transforming it into a 21st century centre of excellence. Vision 2021 will deliver high quality in-house theatre output on two different scales with a diverse programme, an entirely new approach to vocational training and skills development which responds to talent pipeline gaps within the creative industries, and an unrivalled visitor experience – all within an extraordinary location.
- 4.2. Vision 2021 is also a pioneering project that demonstrates how theatres can operate safely following COVID19. The project has been prudently designed for safe circulation in to, and out of, the two theatre spaces, and through trading and catering facilities, in response to the pandemic.
- 4.3. No other cultural organisation in Scotland is attempting to deliver such a transformative project with such significant regional and national impacts. As a result of the impact which Covid has had on the performing arts and more widely, Vision 2021 is now more important than ever. It responds to the ambitions set out in the Tay Cities Deal in terms of smarter and fairer work, and it is match fit as a capital project able to deliver qualitative and quantitative benefits for the area and region coming through the damage caused by Covid. It also meets the targets in the Scottish Government Climate Change Plan for non-domestic buildings on an advanced schedule.
- 4.4. Vision 2021 has been endorsed by the Scottish Government, Perth and Kinross Council, Creative Scotland, and Scottish Enterprise as a positive, imaginative, and inspirational response to growing challenges in local, Tayside, and national infrastructures.
- 4.5. Following the announcement of the Head of Terms for the Tay Cities Deal in November 2018, PFT privately fundraised £9.1m of £11.3m in match funding. This is in advance of launching a public fundraising appeal which is linked to the announcement of the larger phase of the project. The project has captured the imagination of funders and other

stakeholders alike and offers of an example in practice of the Scottish Government's commitment to build back better from Covid.

5. FINANCIAL IMPLICATIONS

5.1. This project is originally profiled to spend a total of up to £10m capital and £0 revenue from the Tay Cities Region Deal funding. The funding is profiled to be drawn down as set out in the table below. The project will lever in additional match funding of £11.3m, £1.3m more than at Deal Signing.

	Total £000	219/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Agreed TCRD Fund Profile	10,000	-	-	-	-	-	-	681	4,922	1,130	2,940	327
Forecast Drawdown for Leverage at Deal Signing	10,000	-	-	-	-	-	-	681	4,922	1,130	2,940	327
New Leverage Profile from FBC	11,283	1,720	3,400	1,250	1,850	1,850	1,213	-	-	-	-	-

5.2. TCRD has an agreed Programme Management methodology for Projects requesting acceleration of funding. PFT understand this agreed approach and will be requesting accelerated drawdown of funds based on the eligible capital expenditure already incurred while delivering Phase 1A, and on swift delivery of Phase 1B. PFT understands that any spend ahead of our current agreed profile is at their own risk and that there is no guarantee that the Partnership will agree to their ask in part or in full.

5.3. It should be noted that Management Group agreed to accelerate £6.5m in 2022/23 ahead of the Deal Profile to the Pitlochry Festival Theatre at their meeting dated 23rd February 2023, subject to Joint Committee approval.

5.4. Pitlochry Festival Theatre's acceleration of funds in 2022/23 is a) subject to Joint Committee approval and b) subject to a legal agreement being signed ahead of any payment of claim, which is in line with the agreed Partnership approach.

5.5. If PFT is able to deliver Phases 1B and 2 up to four years early, it means:

- Realising the social and economic benefits of Phases 1B and 2, four years earlier
- Reducing the risk of building failure or closure from the failing roof and glazing; and avoiding four years' worth of inflation of project costs
- Maintaining momentum after delivery of Phase 1A, facilitating further fundraising

- The £10m Tay Cities funds will trigger the next phase of Vision 2021 and provide a welcome boost for the construction sector and creative industries in Scotland at a time of continued disruption
- Reopening the fully upgraded PFT building in 2025 to support other investments in the visitor economy at Perth Museum, Scone Palace and within the accommodation sector.

6. IMPLEMENTATION PLAN

6.1. Vision 2021 is commended to TCRD and to Scottish Government as a nationally important project that has already delivered one-third of the funded works, at risk; and has already raised 90% of its match funding target. The majority of the team is assembled, governance and project management are in place, and PFT stands ready to now deliver Phases 1B and 2 of Vision 2021 four years early, providing a valuable and timely boost for the Tay Cities Region.

6.2. The variance of initial outputs from Deal Signing includes and increase in jobs created/safeguarded from 230 in the OBC to 272 in the FBC, an increase of 42 jobs. Agreed leverage has also been increased from £10m to £11.3m, an increase of £1.3m.

6.3. Milestones

Deliverable	Due Date	Status
Submission of outline business case	February 2021	Complete
Acceptance of outline business case	March 2022	Complete
Submission of full business case	December 2022	Complete
Commencement of contracting phase P1A	September 2020	Complete
Commencement of physical project P1A	January 2021	Complete
Completion of physical project	May 2022	Complete
Acceptance of full business case	March 2023	In Progress
Commencement of contracting phase P1B, 2*	January 2023	In Progress
Commencement of physical project P1B, 2*	January 2024	Not Due
Completion of physical project P1B, 2*	June 2025	Not Due
Commencement of contracting phase P1B**	December 2023	Not Due
Commencement of physical project P1B**	January 2025	Not Due
Completion of physical project P1B**	June 2025	Not Due
Commencement of contracting phase P2**	December 2023	Not Due
Commencement of physical project P2**	January 2028	Not Due
Completion of physical project P2**	June 2028	Not Due

***Based on Accelerated Funding 2022/23, 2023/24**

** Based on current TCRD Drawdown Funding Profile

6.4. Outcomes and Targets

Targets	Baseline	Target Uplift	Date
Jobs created/safeguarded	0	272	2030
Increase in annual visits	37500	c.50%	Y3
Leverage of investment through TCRD	£10M	£11.3M	2023/2024
Inclusive Growth Targets:			
70% of supplier procurement for phase 1B within 100-mile radius of PFT	70%		2025-2029
60% of all project spend within 100-mile radius of PFT.	60%		2025-2029
Achieve Arts in Sanctuary Award	No Award		2024
We will ensure we commission over 50% female artists and practitioners.	50%		Ongoing
We will offer 24 weeks of meaningful work placement annually.	10 Weeks		2025
Ambition to be operationally net zero on advance of the Scottish Government's 2024 target.	175.4 tons per annum Electricity, 147.8 tons per annum Gas, 19.0 tons per annum Oil (2018/2019 figures)		Before 2035

6.5. Key Project Risks and Mitigations

Risk	Mitigation
Construction tender return sum higher than cost plan allowance. Cost rises at stage two of contractor procurement.	PFT will procure the project via a two-stage tender to establish costs as early as possible with regular market testing during design and subcontractor procurement stages. Processes will be carefully managed with VE as required. PFT must maintain an adequate contingency throughout.
Late design information causes delay and cost uplift.	Agree and monitor design programme. Any late design information to be reviewed by the QS and team to identify potential changes prior to being issued to contractor.
Fabric and plant of the existing buildings is deteriorating, external repairs could arise. i.e., roofs, below ground drainage, asbestos.	Carry out intrusive surveys and remedial repairs if required to prevent further deterioration before main works commences.
Changes to budget and programme give rise to additional fee claims from the Design Team.	Final scope and programme to be reviewed against DT fee schedules.

6.6. There is no variance from the risks described in the OBC.

7. DECISION PATHWAY

7.1. The project has met the decision pathway milestones as set out below and the next steps are also indicated.

Decision pathway milestones and planned timeline			
Stage	Milestone	Planned date	Date achieved
OBC	Governments' approval		11/08/21
	Thematic Board recommendation		19/11/21
	Management Group approval		31/03/21
	Joint Committee informed		01/07/22
FBC	Submission of FBC (to PMO who forward to governments)		13/01/23
	Governments' approval		06/02/23
	Thematic Board recommendation		06/02/23
	Management Group recommendation		23/02/23
	Joint Committee approval	24/03/2023	

8. CONDITIONS

8.1. The Governments approved the FBC on 06/02/2023 with a condition for the project owner to note/consider in the feedback. This includes alignment with the Deal Governance. It has been requested by the Governments that specific references be added before the business case is considered by the Joint Committee.

8.2. These changes have been made and Governments have confirmed that they are content with the amendments.

9. POLICY IMPLICATIONS

9.1. This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty and Environment. Please see EqIA Document appended to FBC.

10. CONSULTATIONS

10.1. The following have approved the presentation of this FBC:
 Local Authority Project Management Officer: Alison Seggie
 Responsible Finance Officer: Dougie Cameron
 Management Group Sponsor: Barbara Renton

Report author: Emma Stewart
 Title: Head of Project Development

Email address: emma.stewart@pitlochryfestivaltheatre.com

Phone number: 01796 484 638

Date: 17 January 2023

APPENDIX 1

Project Information	
Project number	TCRD018
Project name	Pitlochry Festival Theatre – Vision 2021
Project owner	Kris Bryce – Executive Director
Project Finance Director	Dougie Cameron – Director of Finance & Operations
Management Group Sponsor	Barbara Renton
Award amount under TCD	up to £10m
Jobs: Target number of jobs to be created	230 at Deal Signing / 272 in the FBC
Leverage to be achieved	£11.3m



TCRD018 Pitlochry Festival Theatre
Full Business Case – Vision 2021

Summary for TCRD prepared February 2023



The new welcome façade of Pitlochry Festival Theatre

Pitlochry Festival Theatre

| +44 (0)1796 484626

Registered Office: Port-Na-Craig, Pitlochry PH16 5DR

Company Limited by Guarantee: Registered in Scotland SC029243

Regulated by the Scottish Charity Regulator (OSCR) SC013055



Executive Summary

A nationally important project

- Pitlochry Festival Theatre (PFT) is Scotland's largest producing theatre with a strong profile locally, regionally and nationally as a producer of accessible, engaging and stimulating theatre.
- PFT's wide catchment area and its substantial on-site operations make the Theatre a significant asset for the Tay Cities Region economy. In a typical year, PFT is Highland Perthshire's largest employer, with up to 200 workers onsite each summer. PFT generates £9.3m net economic impact locally and also supports skills development through placements, internships and CPD.
- PFT has started delivering a transformative programme of building upgrades, Vision 2021. The programme builds upon PFT's proud history to now create a centre of excellence for the 21st century, combining high quality theatre with a new approach to vocational training and skills development which responds to talent pipeline gaps within the creative sector, and an unrivalled visitor experience – all situated in an extraordinary location. No other Scottish cultural organisation is delivering such an ambitious programme.
- Vision 2021 has been developed with the support and participation of Scottish Government, Scottish Enterprise, Creative Scotland and Perth & Kinross Council. PFT has designed Vision 2021 to benefit not just the theatre itself but also the wider performing arts sector in Scotland.
- The phasing and costs of Vision 2021 are confirmed as:

Phase	Cost	Status	Funding model
<u>Phase 1A</u> Studio theatre, entrance, foyer, partial plant upgrade, outdoor performance spaces	£6.9m	Completed August 2022	£10m TCRD funds £11.3m private fundraising of which £9.1m is secured Total £21.3m
<u>Phase 1B</u> New roof and glazing	£4.9m	Design stage	
<u>Phase 2</u> Main Theatre, catering, foyers, production facilities, remaining plant	£9.5m	Design stage	
<u>Phase 3</u> Landscape Enhancements to the garden and woodland setting	£2m	Masterplan stage	Additional capital fundraising
<u>Phase 4</u> New Rehearsal Room and Accommodation Block leading to more efficient working and cost savings	£5.5m	Masterplan stage	Additional capital fundraising

Fundraising success

- In recognition of PFT's importance to sustainably growing the creative industries and tourism, the Tay Cities Region Deal (TCRD) has allocated £10m funding over FY2026 to FY2030 to Phases 1A, 1B and 2 of Vision 2021. These phases focus on transforming the main theatre building. Phases 3 and 4, which are not funded by TCRD, will subsequently enhance the wider site.
- PFT was always clear that it intended to start delivery before TCRD funds commence in FY2026, at risk, if sufficient private funding could be raised. At this point, PFT has firm commitments to private donations for Vision 2021 of £9.1m of which £8.05m has already been received and a further £1m will be paid in FY2024. These funds have enabled delivery of Phase 1A of Vision 2021, taking advantage of the period of semi-closure and weaker audience demand in 2021 and 2022. Phase 1A has transformed the eastern section of the building, delivering a new Studio theatre among other works. As part of a busy 2022 season, the Studio has recently hosted PFT's first co-production with the National Theatre of Scotland, demonstrating the ambitious new partnerships and programmes that are now possible for PFT.

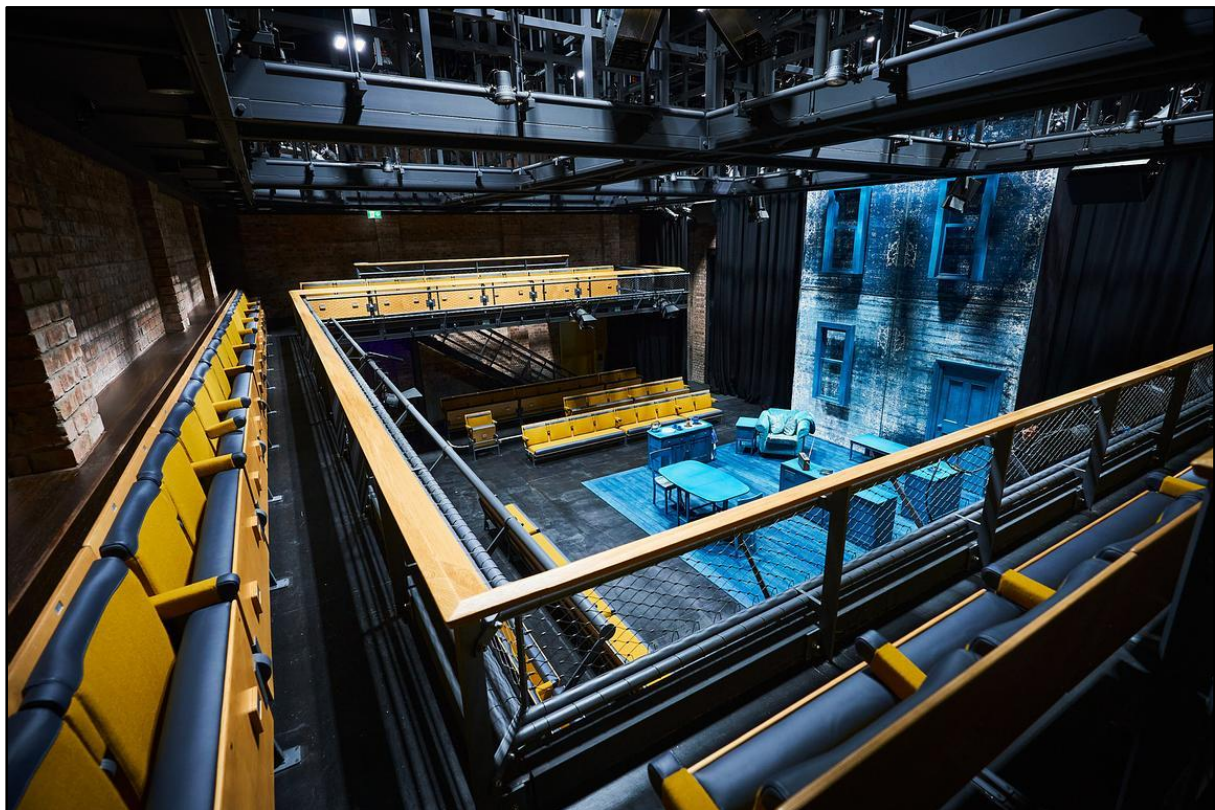
The potential for accelerated delivery

- This Full Business Case makes a strong case to build on the early delivery of Phase 1A by now accelerating delivery of Phases 1B and 2. The Full Business Case concludes that:
 - Vision 2021 remains strategically important and is well aligned with policies for culture and tourism at national, regional and local level. Vision 2021 is designed to support PFT to attain Net Zero.
 - Delivering Phases 1A, 1B and 2 of Vision 2021 is highly economically advantageous, delivering a benefit/cost ratio of 3.9:1 (adjusted for risk).
 - An Accelerated Redevelopment delivered in FY2024 and FY2025, produces an even more favourable benefit/cost ratio of 4.6:1, with significantly reduced risk.
 - A robust procurement process was followed to deliver Phase 1A. Procurement is underway to appoint a design team for Phases 1B and 2; procurement exercises are planned to appoint the lead contractor for Phase 1B and (separately) for Phase 2.
 - A detailed financial model has been built reflecting expert advice and a fresh market analysis in 2022 that confirmed there is continued demand for PFT. The model shows how Vision 2021 will grow audiences, donations, trading profits and financial surpluses. PFT has sufficient unrestricted reserves to weather future phases of building works.
 - Robust project leadership and management structures are in place, with well-established systems for contract management, change control and risk management.
- TCRD has an agreed Programme Management methodology for Projects requesting acceleration of funding. PFT understand this agreed approach and will be requesting accelerated drawdown of funds based on the eligible capital expenditure already incurred while delivering Phase 1A, and on swift delivery of Phase 1B. PFT understands that any spend ahead of our current agreed profile is at our own risk and that there is no guarantee that the Partnership will agree to our ask in part or in full.

- If PFT is able to deliver Phases 1B and 2 up to four years early, it means:
 - Realising the social and economic benefits of Phases 1B and 2, four years earlier
 - Reducing the risk of building failure or closure from the failing roof and glazing; and avoiding four years' worth of inflation of project costs
 - Maintaining momentum after delivery of Phase 1A, facilitating further fundraising
 - The £10m Tay Cities funds will trigger the next phase of Vision 2021 and provide a welcome boost for the construction sector and creative industries in Scotland at a time of continued disruption
 - Reopening the fully upgraded PFT building in 2025 to support other investments in the visitor economy at Perth City Hall, Scone Palace and within the accommodation sector.

Conclusion

- Vision 2021 is commended to TCRD and to Scottish Government as a nationally important project that has already delivered one-third of the funded works, at risk; and has already raised 90% of its match funding target. The majority of the team is assembled, governance and project management are in place, and PFT stands ready to now deliver Phases 1B and 2 of Vision 2021 four years early, providing a valuable and timely boost for the Tay Cities Region.



The new 172-seat Studio theatre at Pitlochry Festival Theatre

1. The Strategic Case (Summary)



Pitlochry Festival Theatre reopens its doors in May 2022 on the completion of Phase 1A of the Vision 2021 Project, after being closed since the beginning of the pandemic

Organisational overview

1. Pitlochry Festival Theatre is Scotland's largest producing theatre with a strong profile locally, regionally and nationally as a producer of accessible, engaging and stimulating theatre.
2. PFT has a clearly defined and distinctive visitor offer, that pre-Covid attracted an audience of 80,000 to its shows each year plus up to 15,000 drop-in users of the shop, bar and café.
3. PFT's wide catchment area and its substantial on-site operations make PFT a significant asset for the Tay Cities economy. In a typical year, the Theatre is Highland Perthshire's largest employer, with a permanent workforce of over 100, and up to 200 workers onsite during the summer season. PFT typically sells over 80,000 tickets each year. These visitors sustain local attractions, hospitality and retail businesses. PFT generates £9.3m net economic impact locally and supports skills development through placements, internships and CPD.

The case for change

4. Vision 2021 is a transformative programme of building upgrades, designed to deliver the Theatre's strategic ambitions and to further extend its economic impact for Tay Cities and Scotland.
5. Creative Scotland, Perth & Kinross Council, Scottish Enterprise and the Scottish Government have guided development of Vision 2021 and helped to fund extensive design and business planning work.
6. The design and planning work undertaken concludes that to deliver its strategic ambitions, PFT needs:
 - An upgraded main house Auditorium to service demand for large-scale productions.
 - A smaller-scale flexible performance space to service demand for discrete productions as well as to service skills, training, and education programmes.
 - Renovations of and extensions to public spaces to service existing and increased audience numbers and significantly improve building access and usage and overall, as well as customer experiences and flow in the shop, café, bars and in front of house spaces.
 - Overhaul of plant, insulation, heating, and lighting to push towards a net zero operation.
7. Vision 2021 is a landmark project that provides confidence for the sector at a time of continued disruption. The project demonstrates how an ageing theatre building can be transformed to appeal to modern audiences, to be Covid-safe, and to be green.

Progress since the OBC 2021

8. PFT's management successfully pivoted during closure due to the Covid pandemic, developing the programme to launch online programmes creating over 6m impressions (#LightHopeJoy), the most extensive freelancer commissioning programme in the country at that time (Shades of Tay), a new audio digital theatre project (Sound Stage, with twelve new plays) and the only in-person theatre offer for Christmas 2020 (The Magic of Christmas) now recognised by the Sky Arts Awards.
9. Since reopening in summer 2021, PFT's ticket sales have exceeded targets, a strong achievement in a market that remains fragile, with fewer English and international visitors.

10. An in-depth Market Analysis undertaken in 2022 confirmed that the medium to long term outlook for PFT is good. Vision 2021 will deepen PFT’s existing good penetration with overnight visitors and reach lapsed visitors and new audiences. Scottish day trippers comprise the largest available market segment (by headcount) but are the least engaged segment at present (in terms of rate of penetration). The research shows that the renewed theatre will build appeal with this segment as a destination for hospitality and served by a diversified theatre programme.
11. The phasing and costs of Vision 2021 have been confirmed, following further design and costing work.

Phase	Cost	Status	Funding model
<u>Phase 1A</u> Studio theatre, entrance, foyer, partial plant upgrade, outdoor performance spaces	£6.9m	Completed August 2022	£10m TCRD funds £11.3m private fundraising of which £9.1m is secured <u>Total £21.3m</u>
<u>Phase 1B</u> New roof and glazing	£4.9m	Design stage	
<u>Phase 2</u> Main Theatre, catering, foyers, production facilities, remaining plant	£9.5m	Design stage	
<u>Phase 3</u> Landscape Enhancements to the garden and woodland setting	£2m	Masterplan stage	Additional fundraising / not TCRD. Flexibility to deliver whenever funds are in place.
<u>Phase 4</u> New Rehearsal Room linked to Main Theatre and new Accommodation Block leading to more efficient working and savings	£5.5m	Masterplan stage	Additional capital fundraising / not TCRD. Can be delivered once Phase 2 is delivered.

12. PFT decided to deliver Phase 1A over 2021 and 2022, at risk, using private funds raised. This enabled PFT to take advantage of the period of semi-closure and weaker audience demand. Phase 1A has delivered the new Studio theatre, foyers and plant, plus two outdoor performance spaces.
13. The rationale for moving ahead with these works first, and early, was that the new Studio theatre enables performances to continue indoors when the main house Auditorium needs to be closed for Phases 1B and 2 works, helping to maintain relationships and rebuild audiences after the interruption of the pandemic. The Studio theatre and outdoor performance spaces are ‘newsworthy’, raising awareness of Vision 2021 and demonstrating the quality of public experience that will be delivered throughout PFT following completion of Vision 2021. The Studio theatre and outdoor performance spaces deliver an immediate ‘win’ that rewards current funders and incentivises further donations.

Strategic Fit

14. Vision 2021 has been developed to deliver national, Tay Cities and local strategies for tourism, economic development, culture and skills. The strategic analysis was updated in late 2022 to reflect the most recent national and regional policies, confirming that the project remains an excellent fit.

15. PFT is committed to working towards net zero. The Vision 2021 Environmental Sustainability Plan identifies that the remodelling of PFT can achieve a significant reduction in carbon emissions.

Investment objectives

16. The investment objectives were revised at FBC stage based on the confirmed TCRD funding profile, further design and planning, and changes in the market since the OBC. The revised objectives are:

Objective 1: To deliver 3,731sqm new and refurbished space by FY2030

17. The date has been adjusted to reflect the timing of completion of Phase 2 under the confirmed TCRD funding profile. As discussed above, PFT will deliver earlier if funding is released earlier. Under current design, the project will deliver circa 4,000sqm of new and refurbished indoor space, plus the amphitheatre and bandstand outdoor performance spaces.

Objective 2: To increase ticket sales to at least 75,000 per year by Y3 after launch

18. 75,000 tickets per year is an increase of 50% from the present year FY2023. It represents a return to the strong pre-Covid level of ticket sales at PFT.

19. This target is revised from the OBC to reflect Phase 1 delivering a more compact but sustainable size of Studio theatre than was originally proposed; to reflect PFT reducing the number of touring shows it receives in response to low financial yield and concerns about quality; and to reflect a more cautious ambition for growth in the rebuilding post-Covid visitor market and demonstrably weaker economy. This level of ticket sales secures PFT's financial viability and would generate healthy annual surpluses.

Objective 3: To support up to 230 jobs in the Tay Cities economy

20. The ambition remains to support this level of jobs in the Tay Cities Region economy. The increased number of visitors, and PFT's increased turnover, will push up the number of jobs supported to at least 230 full time equivalent jobs. These jobs will be approximately equally split between jobs employed on-site at PFT and jobs supported in the wider Tayside economy (mainly in tourism).

Constraints and dependencies

21. The constraints on delivery of Vision 2021 are the need to:

- Secure approval for release of the £10m ringfenced by TCRD
- Raise a further £2.25m of funding. This is considered to be attainable. PFT is in detailed discussions with funders over a further £2.505m worth of funding, with further prospects being identified.
- Continue to produce work on-site and to offer an appealing public programme in the Studio theatre and outdoors spaces while building works temporarily close the main house auditorium.

2. The Economic Case (Summary)



Springtime in the Explorers Garden

The economic benefits

22. A Theory of Change was developed to determine the full range of potential benefits of investment in the future operations of the PFT. These include:

- Sustained employment at the venue given: an enhanced and expanded year-round programme of theatre-making involving leading regional and national creative talent; and, increased education and training partnerships on and off site.
- Uplift in visitors who, while attending PFT performances, will generate off-site expenditure that will benefit the local and regional tourism and culture sectors.
- Additional production spend locally, and in the TCRD Region, as a result of PFT increasing its production activities, and hosting visiting theatre companies that currently would not chose to work in Pitlochry due to the lack of appropriate facilities.
- Talent development and upskilling through extensions to PFT's current programmes¹ to support future growth and quality uplifts across Scottish and UK theatre sector and wider creative industries.
- Increased educational and well-being outcomes through a range of enhanced engagement and outreach programmes at PFT and in regional education and community settings.
- Net Zero developments, operations, and productions within the next 13 years.

Appraising the options

23. A long list of six options was generated, which was reduced to a shortlist of three based on analysis against the selection criteria. The shortlisted options are:

- Redevelopment of PFT in line with the current TCRD funding profile: which has the potential to meet a majority of the selection criteria, however it requires works to be phased over FY2026 to FY2030 to match TCRD fund drawdowns, which is a relatively elongated and disruptive works cycle.
- Accelerated redevelopment of PFT: which builds on early delivery of Phase 1A to deliver Phases 1B and 2 by the end of FY2025. This means realising the benefits sooner, reducing the risk of building failure before work starts, avoiding four years of cost inflation, improving PFT's environmental performance sooner, and injecting funding into the Tay Cities Region creative economy and construction sector at a time of anticipated weaker demand and supporting other major investments in the local visitor economy at Perth City Hall, Scone Palace and within the accommodation sector.
- Concentrated single-phase redevelopment of PFT in the longer term; which, while similar in outcomes to the other options, assumes all works are undertaken in one single phase later, in FY2028 to FY2029. This offers certain efficiencies but it delays the benefits and increases risk of failure before work starts.

¹ All year-round, artists of all ages in various disciplines (visual, design, lighting, sound, music, composition, performance, dance, and writing) benefit from working at, and with, PFT. For example, it is anticipated that PFT will work with up to 700 artists annually to service the PFT constituent groups of Children and Young People, Older People, and Adults.

24. The level of total public sector costs is the same for each shortlisted option (at £10 million).
25. Net benefits were calculated for all options; risks were appraised; and carbon costs were taken into consideration based on estimates provided by PFT's energy consultant Buro Happold.
26. As shown below, based on the analysis undertaken, the most economically advantageous option is the Accelerated Redevelopment option. Its BCR of 2.26:1 is some way ahead of the other two options. Redevelopment in line with the current TCRD funding profile, is ranked second with a BCR of 1.84:1.

Results	Redevelopment in line with current TCRD funding profile	Concentrated redevelopment in the longer term	Accelerated redevelopment
Qualitative Short-Listing	Joint 2 nd	Joint 2 nd	First
NPV Public Sector Costs	£8.2m	£8.2m	£9.8m
NPV Benefits	£42.4m	£41.0m	£45.1m
BCR	5.2	5.0	4.6
Risk Adjusted Benefits	£32m	£31m	£45.1m
Risk adjusted BCR	3.9	3.8	4.6
Carbon Cost adjusted NPV Costs	£8.2m + £1.286m = £9.5m	£8.2m + £1.291m = £9.5m	£9.8m + £1.236m = £11.0m
Carbon adjusted BCR	3.4	3.2	4.1
Additional NPV Private Sector Costs	£9.5m + £7.8m = £17.3m	£9.5m + £7.8m= £17.3m	£11m + £9m = £20m
Final BCR	1.84	1.79	2.26
Overall Ranking	2nd	3rd	1st

Accelerating the timetable

27. The OBC set out the ambition to deliver Vision 2021 by the end of FY2025, supported by strong fundraising to date and in the hope of a favourable TCRD funding profile. The OBC showed that if a less favourable TCRD funding profile was followed, PFT would seek to access up to £10m bridge funding in order to deliver Vision 2021 by FY2025. Upon further investigation, and with the weakening of the economy, this level of bridge funding is not accessible to PFT. Hence this FBC sets out the case for TCRD to accelerate the funding drawdown and enable delivery of the benefits four years early.
28. The confirmed TCRD funding profile allocates £10m of funds to be drawn down over FY2026 to FY2030. However, PFT was always clear about its intention to start delivery earlier, at risk, if it could secure sufficient private funding early. PFT has been successful in doing this and has secured £9.1m private funding towards Vision 2021 between FY2020 and FY2023. The private funding has no conditions or requirements on when and what it can be spent on within the Vision 2021 programme.
29. PFT therefore took advantage of the period of semi-closure and weaker audience demand in FY2022 and FY2023 to deliver Phase 1A of Vision 2021.

30. PFT hopes to now deliver Phases 1B and 2 up to four years early, realising the social and economic benefits early and minimising the risks of building failure and inflation. The economic appraisal identifies this Accelerated Development option as the most economically advantageous option.
31. The first step is to secure approval for the FBC from Scottish Government. Then, PFT has discussed with the TCRD Partnership its Programme Management methodology for accelerating the funding of projects which meet the criteria for acceleration, when there are funds available. PFT plans to request to accelerate the eligible capital expenditure that the project has already incurred in FY2022 and FY2023, and possibly future years. PFT understands that any spend ahead of the agreed funding profile is at our own risk and that there is no guarantee that TCRD will agree to accelerating drawdown.
32. PFT understands that TCRD funds cannot be drawn down in advance of need/eligible spend. If TCRD agrees to accelerate funding to PFT; it is proposed to draw down funds against:
- £6.9m spend to date on Phase 1A – these works are complete and fully accounted for, offering absolute security to Tay Cities for almost 70% of the funds it has allocated
 - £3.1m value of works delivered within the total £4.9m package of Phase 1B roof and glazing works. The work would take place in FY2024 and FY2025.
33. The FBC does not assume that early drawdown of TCRD funds is possible: the Commercial and Financial Cases are built around the ‘Redevelopment of PFT in line with the current TCRD funding profile’ option. However, the Options Appraisal confirms the appeal of early delivery. If PFT is able to deliver Phases 1B and 2 up to four years early as per the Accelerated Option, it means:
- Realising the social and economic benefits of Phases 1B and 2, four years earlier.
 - Reducing the very real risk of building failure or closure from the failing roof and glazing.
 - Avoiding four years’ worth of inflation of project costs.
 - Improving PFT’s environmental performance and reducing its energy bills, four years earlier.
 - Reopening the fully upgraded PFT building in 2025 to support other major investments in the local visitor economy at Perth City Hall, Scone Palace and within the accommodation sector.
 - Maintaining momentum after successful delivery of Phase 1A, facilitating PFT’s further separate fundraising for Phases 3 and 4.
 - The £10m Tay Cities funds will provide a welcome boost for the construction sector and creative industries in Scotland at a time of continued disruption.

3. The Commercial Case (Summary)



Crawford Gillies, Chair of Pitlochry Festival Theatre, making an address on the Opening Night of the Studio theatre, August 2022

Procurement Strategy

34. Project Director Simon Harper and Project Manager/Quantity Surveyor Pulse Consult led a robust procurement process to make the most advantageous appointments to deliver Vision 2021.
35. The Procurement Strategy responds to the specific needs and timing of each phase of Vision 2021. The key points are:
 - Suzie Bridges Architects was appointed as architect for Phase 1A in 2020 by scoring highest in a competitive process that attracted 7 completed proposals. Qualitative criteria represented 60% of the tender score; the price represented 40% of the tender score.
 - Morrison Construction was appointed main contractor for Phase 1A in 2021, following an expression of interest exercise conducted by the Scottish Procurement Alliance then a full tendering exercise. Qualitative criteria represented 65% of the tender score; price represented 35% of the tender score. Morrison Construction was appointed under a Standard Building Contract Without Quantities (SBC/XQ 2016 edition) with Contractor's Designed Portion for specific specialist works and an accompanying set of Employer Specific amendments. Phase 1A works are now completed.
 - The procurement of an architect-led design team for Phases 1B and 2 has commenced. Advertising the procurement publicly has commenced with a Prior Information Notice being published on Public Contracts Scotland in March 2022, with an engagement questionnaire to assess the market's opinion on procurement approach (e.g. traditional, design & build, single stage competitive, two stage tender).
 - Separate procurement exercises will be run for main contractors for Phases 1B and Phase 2.
36. At this point, quantity surveyors Pulse Consult robustly estimate Phase 1B to cost £4.9m based on design work to RIBA Stage 2 and engagement with suppliers. PFT will gain further cost certainty on Phase 1B as design work progresses over winter 2022/spring 2023, with a target date of appointing a Phase 1B contractor based on an acceptable fixed-price tender in August 2023.
37. Pulse has estimated the cost of Phase 2 as £9.5m, to be further refined as the design team's work progresses through 2023.
38. Both estimates include robust allowances for risk contingencies; and they conservatively anticipate the works incurring 20% VAT. PFT is taking advice at present to optimise its VAT position, with the aim of being able to recover a significant proportion of VAT. Any funds released in this way will benefit the project as increased specification or increased contingency.

Risk transfer

39. All the risks involved in the design, construction, financing, and operation of the theatre will be borne by PFT. Similarly, the risks associated with fluctuations in audiences and the cost of putting on new productions will principally lie with the theatre.
40. The public sector risk is limited to TCRD providing £10m to part-fund the building works.

4. The Financial Case (Summary)



Sister Radio was the first production to be played in the Studio theatre at Pitlochry Festival Theatre, a co-production with Stellar Quines Theatre Company

Financial model

41. PFT has developed a full financial model for Vision 2021 with experienced external advisors. PFT's accountant Saffery Champness prepared a full cash flow.
42. PFT's successful theatre and trading operations remain at the heart of the financial model and provide confidence and predictability for the majority of income and costs.
43. Like most performing arts venues, the principal sensitivities in PFT's financial model are audience numbers, employed staff costs, and fixed overheads costs. (Performance, retail and catering costs are more able to be flexed to match demand.) The PFT leadership team's track record of running a commercially effective theatre business model – including successfully streamlining and pivoting during the Covid pandemic – plus the Theatre's close relationship with Creative Scotland and Perth & Kinross Council, and the strengthening of the business through Vision 2021 building upgrades, gives confidence that PFT is able to weather any further short-term disruption.
44. Once Vision 2021 is delivered, the financial model envisages growth in production income by delivering 10% more performances of each show compared to the present year; increasing numbers of ticket sold by 50% to reflect the enhanced offer and the rebuilt visitor market; and by increasing average ticket yield by a modest 5% by FY2030 to reflect the greatly enhanced offer.
45. These growth factors combine to forecast 75,000 ticket sales per year by FY2030. This is an increase of 50% from the present year FY2023. The 75,000 ticket sales forecast is less than the target in the OBC of reaching 95,000 ticket sales: however the lower forecast is considered appropriate as Phase 1 of Vision 2021 has delivered a more compact but sustainable size of Studio Theatre than was envisaged in the OBC; as PFT has reduced the number of touring shows it receives in response to low financial yield and concerns about quality; and due to a more cautious ambition for growth in the rebuilding post-Covid visitor market and weaker economy.
46. Achieving 75,000 ticket sales will secure PFT's financial viability and generate healthy annual surpluses that can be reinvested in the building or the programme. PFT is confident that it can attain 75,000 ticket sales per year, as this number was reached pre-Covid. (However, in future, the 75,000 tickets sold will generate greater economic and financial benefits than before, as the future programme will almost exclusively consist of new work created on-site at PFT with only very select touring shows being hosted.) PFT remains optimistic that growth beyond 75,000 tickets per year is feasible over the long term. PFT will work to maximise growth through a combination of increased loyalty from existing audiences and more visitors from Tay Cities, the rest of Scotland, the UK and international visitors.
47. PFT has historically been effective at securing private donations to support its operations, and it has raised £9.1m capital so far to deliver Vision 2021. Delivering Vision 2021 will further enhance PFT's reputation, visitor experience and learning impact, supporting future giving. Donations targets have been set by the new Director of Development to reflect the potential going forwards.
48. Grants from Creative Scotland and Perth & Kinross Council are retained at the present level. Both bodies are important stakeholders and have been closely involved in development of Vision 2021.
49. Income from Theatre Tax Credits is forecast to reflect the increased investment in productions.

50. Production costs and trading costs vary in line with operations, while staff costs and overheads remain as at present. Electricity costs are based on PFT's accountants' forecast for FY2023, with a 27% saving in energy consumption after the plant is replaced in Phase 2, calculated by engineers Buro Happold.
51. The Phase 3 Landscape Enhancement is anticipated to have a net positive financial impact due to increased dwell time: however, no figures are built into the financial model at this point.
52. The Phase 4 Rehearsal Room and Accommodation Block is anticipated to open in FY2030, funded separately from Phases 1 and 2. Income and expenditure figures are not yet built into the financial model, due to this Phase's early stage of planning. The Accommodation Block is anticipated to generate a modest net profit, based on an initial scoping exercise. The annual cost to PFT of managing the accommodation and potentially paying off any loan funding, if this route is chosen, would be outweighed by removing the need to subsidise actors and creative crew to stay off-site, potentially topped up by selling spare rooms to audience members or creative partners, when not in use.

Financial benefits

53. By FY2030, when Vision 2021 is fully delivered, PFT will generate over £900k more earned income per year than at present. This will result in an annual surplus of almost £400k compared with the small loss forecast for FY2023, and the losses in FY2024-FY2026 while the visitor market is rebuilding and PFT no longer benefits from pandemic-related emergency funding.
54. Growth in trading income is driven by audience growth, and also up to 15,000 drop-in visitors using the shop / bar / café each year, equivalent to pre-Covid levels.
55. By FY2030 the financial model will be substantially more robust featuring even more effective commercial performance compared to many theatres. The robustness is shown by multiple indicators:

	FY2023	FY2030	Change
Ticket buyers	50,391	75,586	50%
Earned income	2,387,367	3,390,580	42%
<i>As % total income</i>	62%	82%	20%
Donations	351,014	467,244	33%
<i>As % total income</i>	9%	11%	2%
Grants and tax relief	1,086,488	1,186,488	9%
<i>As % total income</i>	28%	29%	0%
Annual profit/loss	(49,580)	378,810	428,389

Note: the donations figure shown in FY2023 is an average for the three years pre-Covid, to enable a 'fair' comparison: the actual figure in FY2023 is inflated by a large one-off donation and by Covid emergency funding

Cash flow

56. PFT held unrestricted reserves of £1.5m at 31 March 2022 which are sufficient to carry it through the next three years which show a planned loss. PFT is projected to generate surpluses from FY2027 onwards which will build the unrestricted reserves back to £1.6m by FY2030. The unrestricted reserves do not take account of unrestricted endowment funds or legacies received in FY2023 and future years.

A programme to generate endowment funds has been developed and funds generated will reinforce reserves, financial sustainability and the ability to invest further in the theatre's activities.

Fundraising progress

57. PFT's target fundraising contribution to Phases 1A, 1B and 2 of Vision 2021 is £11.3m, from private donations. At this point, PFT has secured £9.1m, of which £8.05m has already been received and a further £1m will be paid in FY2024. This leaves £2.25m to be raised. PFT has applications in/is in advanced discussion with funders and donors over a further £2.505m; and is confident of raising the £2.25m from these sources and from further prospects that are being identified now.

Capital funding and expenditure profile

58. The funding income and spend profile is overleaf, based on the present TCRD funding profile that releases funding over FY2026 to FY2030. This profile focuses on the Phases 1A, 1B and 2 which are part-funded by TCRD and excludes Phases 3 and 4 which are not funded by TCRD. Note that:
- The capital spend profile has been modelled by the project managers and cost consultants Pulse Consult with Project Director Simon Harper. This will be confirmed as design work completes.
 - The capital spend includes allowance for professionally evaluated risk contingencies to scope and pricing, and it includes VAT conservatively allowed at 20%.
 - The private donations profile comprises actuals for FY2020, FY2021 and FY2022; and forecasts for FY2023, FY2024, FY2025. The forecast sum for FY2023 has almost been hit.
 - Due to the large proportion of funds already secured and pledged, and using the figures referenced throughout, the capital cash flow is secure with no years showing a deficit.

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Activity				Phase 1A delivered			Phase 1B delivered with theatre closure Jan-April 2027			Phase 2 delivered with theatre closure Jan-April 2029		
Capital spend				6,900,000	81,748	514,795	4,108,739	656,369	163,495	8,525,473	349,382	21,300,001
Revenue spend	-	-	-	-	-	-	-	-	-	-	-	-
Funded by												
TCRD funds	-	-	-	-	-	-	681,000	4,922,000	1,130,000	2,940,000	327,000	10,000,000
Private donations	1,720,000	3,400,000	1,250,000	1,850,000	1,850,000	1,212,584	-	-	-	-	17,417	11,300,001
Total income	1,720,000	3,400,000	1,250,000	1,850,000	1,850,000	1,212,584	681,000	4,922,000	1,130,000	2,940,000	344,417	21,300,001
Balance carried fwd	1,720,000	5,120,000	6,370,000	1,320,000	3,088,252	3,786,041	358,302	4,623,933	5,590,438	4,965	- 0	

5. The Management Case (Summary)



Sunshine on Leith played to sell-out audiences at Pitlochry Festival Theatre throughout the Summer Programme in 2022, a co-production with Capital Theatres

Project governance and leadership

60. PFT's Capital Projects Committee monitors and oversees capital projects including Vision 2021. Leadership is provided by:

Committee Chair

William Gavin Douglas

Gavin Douglas is an experienced IT Operations and Managing Director with a breadth of technical, commercial and leadership experience.

Chair of Finance Committee

Graeme Bissett

Graeme is an experienced corporate financier and qualified Chartered Accountant, having previously been a partner with Arthur Andersen LLP and finance director of international groups.

Chair of Audit & Risk Committee

Jane Martin

As Managing Director of Innovation and Investment, Jane leads Scottish Enterprise's work to support entrepreneurs, industries, and communities across Scotland to innovate and to grow.

Plus External adviser(s) with specialist knowledge (i.e. legal, construction, project management, design, digital, etc.)

Ex officio members:

Board of Trustees Chair

Crawford Gillies

Crawford was appointed Chair of Pitlochry Festival Theatre in 2020, having been a Trustee since 2018. He is also Chair of both The Edrington Group plc, the premium spirits company and Barclays UK, and sits on the board of Barclays plc.

Chief Executive

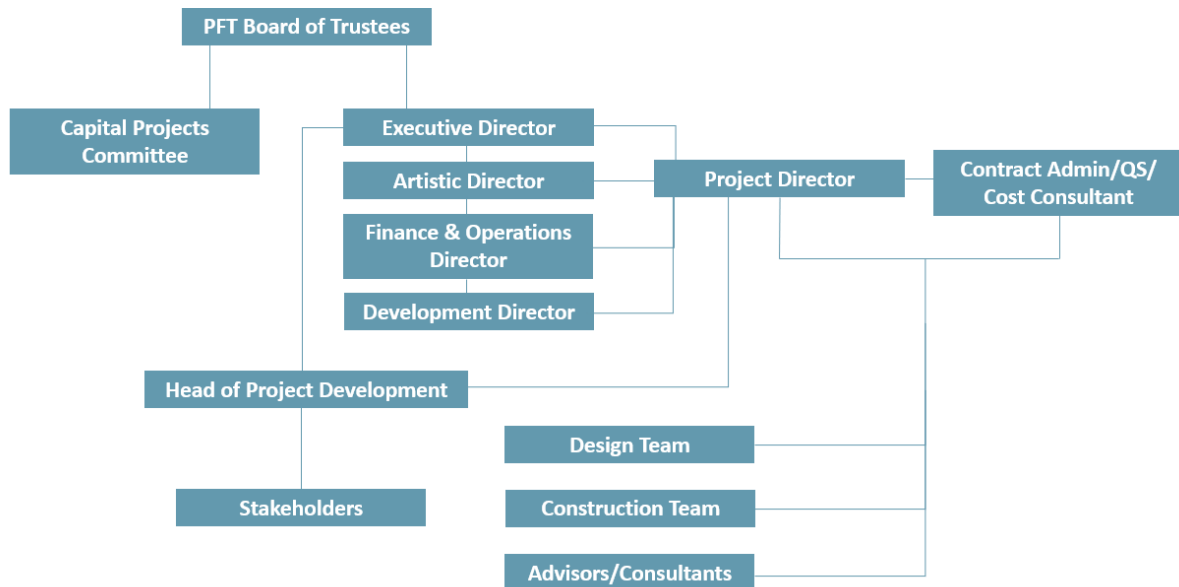
Kris Bryce

Kris joined Pitlochry Festival Theatre as Executive Director in 2016 and was appointed Chief Executive in 2018. Before taking up his current role, Kris was Head of Operations at Dundee Rep and Scottish Dance Theatre from 2011.

Project management arrangements

61. A robust governance and management structure is in place, with the necessary competencies for successful delivery of the project.
62. The project is reported on formally to the Capital Projects Committee and the Board of Trustees on a quarterly basis, as part of the ongoing governance arrangements, and works in parallel with both the Finance Committee and the Audit & Risk Committee.

63. The project reporting structure is:



The Capital Projects Committee can also be convened in an ad hoc manner, to respond to the project in progress.

Change control process

64. A robust change control process is in place, overseen by the Project Director. Any change requests made by PFT are submitted to the Project Director for assessment and, if required, submitted to the Capital Projects Committee or Board of Trustees for final approval.
65. Change requests submitted to the Project Director include the following information:
- Unique reference number
 - Date of request
 - Name of requestor
 - Summary of proposed change
 - Cost impact
 - Time impact
 - Quality impact
66. All approved changes will be logged using a unique reference number and a summary report will be developed to ensure the total cost attributed to PFT changes is monitored and the Project contingency reduced in line with the approved changes if necessary.

Use of Special Advisors

PFT has assembled a highly experienced team of advisors with a track record of successful theatre capital projects. Key advisors are shown below.

Specialist Area	Advisor
Financial	<p>Contract Administrator– Lee Cantrill, Director – Pulse Consult</p> <p><i>Lee Cantrill BSc (Hons) FRICS MFPWS AaPS brings experience of projects ranging from £0.5m to £90m gained from working in the construction industry for nearly 30 years. Lee specialises in providing cost and project management services on capital projects in Education, Tourism and Leisure and the Arts.</i></p>
Technical	<p>Project Director - Simon Harper, Director – Harper Tackley</p> <p><i>Simon is a co-director of Harper Tackley Consultants along with Rachel Tackley. Harper Tackley provide advice and support to arts organisations wishing to undertake capital projects or organisational change.</i></p> <p><i>Simon is a theatre professional with over 35 years' experience in the industry. He has a background in technical theatre and as a Production Manager and Technical Director he has produced shows in the UK, USA and Europe for various companies including the Almeida Theatre and English National Opera.</i></p> <p><u>Phase 1A team</u></p> <p>Architects – <i>Susie Bridges Architects</i> Delivery Architects - <i>James F. Stephen Architects</i> Landscape Architects – <i>Rankin Fraser</i> Theatre Designers – <i>Theatre Plan</i> Civil & Structural Engineers - <i>BuroHappold</i> Planning Consultants – <i>Rydens Planning</i> Principal Contractor – <i>Morrison Construction</i> (Phase 1B design team is being procured at present)</p>
Procurement & Legal	<p>Legal – <i>Shepherd & Wedderburn</i> QS – <i>Lee Cantrill, Director – Pulse Consult</i></p>
Business Assurance	<p>Market Analysis – <i>Charlotte Wilson Research Services</i> Visitor Mobility & Improvement Strategy - <i>BuroHappold</i> Business Strategy – <i>BOP Consulting, Alex Homfray Cultural Destinations</i> Economic Strategy – <i>Dr. Mark Graham</i></p>

Project programme

The programme for delivery of Phases 1B and 2 is (assuming the present TCRD funding profile):

#	Traits	Title	Given Earliest Start	Given Duration
0	☑	PFT Option 3 Phases 1b, 2, 3, 4	4 Dec 2023	
1	☑	Pitlochry Festival Theatre Option 3 Phases 1B, 2, 3, 4	4 Dec 2023	
2	☑	Design Team Appointment Process	4 Dec 2023	3 months
3	☑	Confirm Design Team Appointment	27/02/2024	
4	☑	Phase 1B & 2 RIBA 1 - 3 Design Period	27/02/2024	6 months
5	☑	Phase 1 B & 2 contractor procurement	27/05/2024	2 months
6	☑	RIBA 4 design for phase 1B	12 Aug 2024	3 months
7	☑	Phase 1B Contractor mobilisation	25 Nov 2024	2 months
8	☑	Main House and Foyer close for 1B works	27 Jan 2025	4 months
9	☑	Complete Phase 1B and reopen Main House and foyer	7 Jun 2025	
10	☑	Phase 3 Design period	30 Jun 2025	6 months
11	☑	Phase 3 Delivery period	5 Jan 2026	9 months
12	☑	RIBA 4 Design Phase for Phase 2 & 4	25 Jan 2027	4 months
13	☑	Commence Construction of infill Building and artists accommodation	31/05/2027	12 months
14	☑	Main House and Foyer Close for Phase 2 & 4 works	24 Jan 2028	4 months
15	☑	Complete Phase 2 works and reopen Main House and foyer and occupy infill building	5 June 2028	
16	☑	Phase Accommodation completed	22 Dec 2028	
17	☑	PFT Vision 2021 Project Complete	29 Jan 2029	

Arrangements for Organisational Change Management

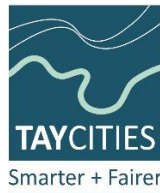
67. The project does not entail any major personnel changes such as transferring staff to a new organisation or part of the group, or outsourcing operations to third parties.

Arrangements for Benefit Realisation

68. PFT's Audit & Risk Committee will be tasked with accountability for this Project's benefits realisation, including the activities, evaluation and commissioned research which will build a robust data and evidence base on which collaborations can be developed, growth potential identified and explored, and project success can be measured.

Risk Management

69. The Project Risk Register identifies and assesses 44 risks.
70. The risk register is reviewed as a standing agenda item at every quarterly Principals Meeting, and every monthly Project Progress Meeting and every fortnightly Design Team Meeting. At every Capital Projects Committee Meeting, risk is a major agenda item. The risk register is owned by the Project Director and is updated following each meeting. PFT's Audit and Risk Committee provides oversight of risk management at trustee level.
71. The risk register has been developed, and is overseen by the Project Director and Contract Administrator, and the risk register formally assigns risk ownership and responsibility. Prior to financial close, these risks will be reduced through surveys and detailed design work, informing the design and construction risk requirement.
72. The top risks at present largely relate to the importance of implementing excellent contract and financial management for the project, which is why PFT have engaged with Pulse Consult to be the financial specialist for the project, acknowledging that construction is not the PFT's own sector of expertise. The majority of the theatre building is in its original state from its construction in 1980, which poses substantial risk in terms of its continued deterioration and the profile of capital funds in order to address significant shortcoming e.g. wind and watertight works.



REPORT TO: TAY CITIES REGION JOINT COMMITTEE

REPORT ON: TCD012(A) MERCURY DRONE PORTS – BUSINESS JUSTIFICATION CASE

REPORT BY: ALISON SMITH, ANGUS COUNCIL

REPORT NO: TCRJC3-2023

1. PURPOSE OF REPORT

1.1. This report seeks approval of the Business Justification Case (BJC) for the TCD012(a) Mercury Drone Ports project by the Joint Committee.

2. RECOMMENDATIONS

2.1. The Joint Committee is asked to:

- i. Consider this report and the BJC for TCD012(a) Mercury Drone Ports. The BJC is available via Sharefile on request, and
- ii. Approve the BJC, subject to final comments and recommendation by the Thematic Board, following the meeting on 23rd March 2023.

3. INTRODUCTION

3.1. The Angus Fund (TCD012) was awarded £26.5million at Deal Signing. The Mercury Drone Ports project has been selected as one of the projects in the Angus Fund and awarded up to £1 million. This project will deliver Mercury Drone Ports, which will create Scotland's first dedicated drone port, Drone Port Montrose. Comprising of both airspace and supporting facilities, Drone Port Montrose will create a safe and easily accessible airspace structure that will enable both drone trials and commercial drone operations to take place. The BJC for Mercury Drone Ports 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. The key project information is at Appendix 1.

4. DESCRIPTION OF PROJECT IN THE DEAL DOCUMENT

4.1. Mercury Drone Ports is a concept that was initially developed between Angus Council and a local drone company DTLX Ltd (DTLX). The project aims to create a first-of-its-kind airspace to allow Beyond Visual Line of Sight (BVLOS) activities.

The project seeks to establish a regional scale area of unified airspace where manned and unmanned aviation can operate safely alongside each other, supported by ground-based facilities.

- 4.2. The benefits of this are clear. Angus is home to a high concentration of offshore wind farms which currently depend on boats and helicopters for pre-construction surveys and regular maintenance and inspections. Creating this airspace will enable this activity to be decarbonised and generate significant economic efficiencies through reduced costs. These are the direct impacts of the project. In the longer term, the project will indirectly incentivise further investment in the offshore wind sector, open up new possibilities for use cases for drones onshore, and inspire and educate people in Angus and beyond to take advantage of the new technology. The project will work closely with the Civil Aviation Agency (CAA), to develop the airspace across Angus and wider regionally.
- 4.3. The BJC outlines how the capital costs of this project are affordable. Angus Council has earmarked £1m of capital funding from TCD012 Angus Fund as part of the Tay Cities Deal to deliver Mercury Drone Ports and based on the capital costs provided to Angus Council by DTLX, this should enable the key infrastructure to be purchased and the application for BVLOS airspace to be submitted. The project is then forecast to be self-sustaining through fee income for use of the airspace. This will be assured when the project is procured, through a concession arrangement between Angus Council and the supplier.

5. FINANCIAL IMPLICATIONS

- 5.1. This project is currently profiled to spend a total of £1million capital of the £26.5million allocated to the Angus Fund from the Tay Cities Deal funding. The funding is anticipated to be drawn down as follows:

Year	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	3	4	5	6	7	8	9	10	
TCRD Funding ('000)	£300	£700	£0	£0	£0	£0	£0	£0	£1,000
Expenditure ('000)	£300	£700	£0	£0	£0	£0	£0	£0	£1,000

- 5.2. The project has not levered in funding at this stage.
- 5.3. Angus Council has supported a “use-case” trial of drones in Angus, demonstrating a range of successful Beyond Visual Line of Sight applications and safe operations within a temporary airspace that will help facilitate regulatory change. This included successful flights between Stracathro Hospital and Ninewells Hospital delivering medical samples. The cost of this part of the project, £300,000, has been funded in advance of this BJC being approved.

6. IMPLEMENTATION PLAN

6.1. No Implementation Plan exists for the Project as it was only the Angus Fund in the last review. But the milestones, outcomes and targets and risks have now been highlighted, as shown in the report and reflects the BJC.

6.2. Milestones

Deliverable	Due Date	Status
Drone Concession Contract Procured	June 2023	Subject to approvals
Dedicated Airspace & Operations for BVLOS Activities	March 2024	Subject to approvals
Dedicated BVLOS Airspace & Public Drone Experience	March 2025	Subject to approvals

6.3. Outcomes and Targets

Targets	Baseline	Target Uplift	Date
Carbon Savings	0	-2000tCo2e	2031/32
Economic efficiency through reduced construction and operation costs in wind farms	0	£11million	2031/32
Community engagement with drone technology	0	5 per annum	2031/32
New / Safeguarded jobs	0	60	2031

6.4. Key Project Risks and Mitigations

Risk	Mitigation
Failure to gain dedicated airspace permission from CAA	<p>This risk will be mitigated by a concession procurement for specialist airspace designers to develop and submit the application for the airspace. Beyond the initial trials already taking place under the current regulation, no other CAPEX will be spent until this is approved, significantly mitigating the financial risk. This limits the CAPEX risk to £259k.</p> <p>In the case of a rejected application, the submission will be revised to address the reasons for its rejection. A rejection is more likely to mean a delay to project timelines, rather than any reduction in the benefits generated by the project.</p> <p>We have already built considerable contingency into our project timelines to reflect this, with projected benefits due to begin only in 2024.</p> <p>We will continue to maintain a close and supportive relationship with the CAA, to ensure the maximum likelihood of application approval early in the project.</p>
Significant public objection	<p>This risk has been mitigated as part of the air space change application.</p> <p>Public engagement has been conducted and will continue to be conducted on an ongoing basis.</p> <p>Public support will be enhanced through the creation of the Drone Experience.</p> <p>This will be a key workstream within the BVLOS Demonstration Project and will be enhanced by both specialist company involvement and academic research support.</p> <p>Early and regular consultation with the CAA during project development, undertaking trials to demonstrate safe usage.</p>
Safety incident during the temporary airspace trial could impact the acceptance a more dedicated airspace application	<p>This risk will be mitigated by setting up a strong, accountable safety management structure.</p> <p>The procured supplier of the airspace will provide the Accountable Manager and Safety Manager roles for the Mercury Drone Ports. If required, an experienced deputy Safety Manager can be retained on a part time basis to provide enhanced quality and compliance.</p> <p>Early and regular consultation with the CAA during project development, undertaking trials to demonstrate safe usage.</p>
A lack of usage or demand for the drone airspace	<p>This risk will be mitigated by having the temporary airspace application establishing an offer to the market that allows business development activities to commence and clients established prior to incurring additional spend to establish the expanded airspace and public drone experience. Initial BVLOS trials will also act as a marketing tool and is expected to attract further local, regional, national and international interest.</p>
Unable to procure a suitable provider for the Mercury Drone Ports Project	<p>Multiple procurement routes assessed in more detail in chapter 4 of the BJC, with a concession route deemed the lowest risk.</p> <p>Procurement exercise underway now to engage with the market.</p>

Risk	Mitigation
Further increase in the rates of inflation	The procurement process will help to keep costs down by fostering competition between suppliers, who will benefit from revenue once the project is underway. This revenue will also be subject to inflation, hedging this risk to an extent. Angus Council are regularly monitoring the costs of the project.

7. DECISION PATHWAY

7.1. The project has met the decision pathway milestones as set out below and the next steps are also indicated.

Decision pathway milestones and planned timeline			
Stage	Milestone	Planned date	Date achieved
BJC	Submission of BJC (to PMO who forward to governments)	22 December 2022	22 December 2022
	Governments' approval	13 March 2023	14 March 2023
	Thematic Board recommendation	23 March 2023	
	Management Group recommendation	23 March 2023	16 March 2023
	Joint Committee approval	24 March 2023	

8. CONDITIONS

8.1. Approval of the BJC is subject to final comments and recommendation by the Thematic Board being secured.

9. POLICY IMPLICATIONS

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

10. CONSULTATIONS

10.1. The following have approved the presentation of this BJC:

Local Authority Project Management Officer: Mark Davidson
Responsible Finance Officer: Ian Lorimer
Management Group Sponsor: Alison Smith

Report author: Mark Davidson
Title: Manager – Economic Development
Email address: Davidsonma@angus.gov.uk
Phone number: 01307 491904

Date: 1 February 2023

APPENDIX 1

Project Information	
Project number	TCD012(a)
Project name	Angus Fund – Mercury Drone Ports
Project owner	Angus Council
Project Finance Director	Ian Lorimer
Management Group Sponsor	Alison Smith
Award amount under TCD	£1m for the Mercury Drone Ports as part of the £26.5m Angus Fund programme
Jobs: Target number of jobs to be created	60
Leverage to be achieved	0

APPENDIX 2

Extract from BJC – Introduction

1 INTRODUCTION

The purpose of the Mercury Drone Ports Business Justification Case (BJC) is to procure a dedicated unified airspace for Beyond Visual Line of Sight (BVLOS) activities, to create a regional-scale drone trials facility and public drone experience in Angus at a cost of £1 million.

Mercury Drone Ports is a concept that was initially developed between Angus Council and a local drone company DTLX Ltd (DTLX). The project aims to create a first-of-its-kind airspace to allow Beyond Visual Line of Sight (BVLOS) activities. The project seeks to establish a regional scale area of unified airspace where manned and unmanned aviation can operate safely alongside each other, supported by ground-based facilities.

The benefits of this are clear. Angus is home to a high concentration of offshore wind farms which currently depend on boats and helicopters for pre-construction surveys and regular maintenance and inspections. Creating this airspace will enable this activity to be decarbonised and generate significant economic efficiencies through reduced costs. These are the direct impacts of the project. In the longer term, the project will indirectly incentivise further investment in the offshore wind sector, open up new possibilities for use cases for drones onshore, and inspire and educate people in Angus and beyond to take advantage of the new technology.

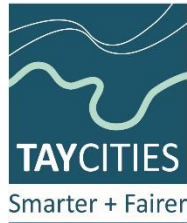
We are clear-eyed about the challenges this will entail. We have deliberately limited the scope of the project to offshore operations, where risks are lower and approval is easier to achieve. We will work closely with the Civil Aviation Agency (CAA), building on the initial conversations our team has held with them to ensure that they understand and support our project. We understand that they are facing significant capacity constraints as drone operations scale across the UK, and seek to support them by sharing learnings and regular progress updates on our work. Our work in this respect has significantly reduced the risk of the project.

The BJC outlines how the capital costs of this project are affordable. Angus Council has earmarked £1m of capital funding from TCD012 Angus Fund as part of the Tay Cities Deal to deliver Mercury Drone Ports and based on the capital costs provided to Angus Council by DTLX, this should enable the key infrastructure to be purchased and the application for BVLOS airspace to be submitted. The project is then forecast to be self-sustaining through fee income for use of the airspace. This will be assured when the project is procured, through a concession arrangement between Angus Council and the supplier.

The BJC was written in accordance with the single stage business case template (Medium Value and Risk - £250k to £2 million value of procurement).

In identifying the key objectives for undertaking the investment in the Mercury Drone Ports project, the BJC contains the following sections:

- o Strategic Case
- o Options Analysis
- o Procurement Route
- o Funding and Affordability
- o Delivery Arrangements



REPORT TO: TAY CITIES REGION JOINT COMMITTEE

REPORT ON: ANNUAL PERFORMANCE REPORT

REPORT BY: CLARE SLATER, TCRD PROJECT MANAGER

REPORT NO: TCRJC4-2023

1. PURPOSE OF REPORT

- 1.1. This report seeks to update the Joint Committee on the final Annual Performance Report (Appendix 1) and requests approval by the Joint Committee.

2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to consider this report and:
- a) Note that the Management Group recommended the final Annual Performance Report for approval to the Joint Committee on 23rd February 2023; and,
 - b) Approve the final Annual Performance Report for October 2021 – September 2022.

3. BACKGROUND

- 3.1. The Grant Offer Letter sets out a number of governance and reporting requirements for the Tay Cities Region Partnership. This includes a commitment for an Annual Performance Report. The commitment states:

Annually – an Annual Performance Report based on the previous year’s activity (at both Programme and Project level. This report will form the basis of the Annual Conversation and should follow the annual report template.

- 3.2. The Annual Performance Report for the Tay Cities Region Deal covers the period starting in Q3 2021 to the end of Q2 2022 showing progress with the Programme as a whole and those projects in delivery. This reporting period will continue for each subsequent Annual Performance Report unless the Governments agree for it to change to an annual reporting period in line with the financial year.
- 3.3. The Partnership’s first Annual Performance Report was approved by the Joint Committee on 11th March 2022.
- 3.4. This is the Partnerships second Annual Performance Report. A draft was shared with both Governments on 19th December 2022, following agreement from the Management Group on 24th November 2022. Both Governments were very complimentary on the content and presentation of the Annual Performance

Report. This informed the Annual Conversation, which took place on 3rd February 2023.

3.5. The headlines from the Report and achievements within the region within the reporting period are noted below:

- Significant change in Joint Committee membership following changes within both the Partnership and the local elections in May 2022
- The Joint Committee remains strong and engaged.
- Over two thirds, £219m, of the Deal has secured Joint Committee approval:
 - 1 Fund, £26.5m
 - 3 Programmes, £39.86m¹
 - 16 Projects £152.74m
- Acceleration of £8m funds in 22/23 being total acceleration since 2020 to £20.9m
- Release of £79.1m of the Deal Funding (26% of commitment)
- Securing of £123m investment (30% of commitment)
- Creation of 677 jobs (11% of commitment)
- Demonstration of strong partnership working, collaborative ambition and drive

3.6. Minor amendments for clarity have been made and recorded. No amendments have been required following the Annual Conversation.

3.7. Subject to Joint Committee approval, it is intended that the Annual Performance Report will be shared publicly alongside the Benefits Realisation Plan at the end of March 2023 on the Tay Cities website.

4. CONSULTATIONS

4.1. The Annual Performance Report has been developed with input from the projects and all parts of the Tay Cities Region Governance. Both Governments have been consulted and agreed the document.

Report author: Clare Slater
Title: Tay Cities Tay Cities Project Manager

APPENDIX 1

Please see separate document for consideration.

¹ This value does not include the Projects within the Programme which have secured Joint Committee approval

Tay Cities Region Deal

Annual Performance Report 1st October 2021 - 30th September 2022



Scottish Government
Riaghaltas na h-Alba
gov.scot



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Executive Summary



Up to the end of September 2022, **£219m** of funding was approved for investment by Joint Committee over the 10 year programme. This equates to over 2/3 of the Deal.



£74.1m of Government investment released.



Accelerated £8m of funds from the Scottish Government in the 22/23 financial year, bringing the total of accelerated funds to date to **£20.9m**.



£123.5m leverage has been secured by Projects within the Deal. This equates to 30% of the overall leverage commitment of the Deal.



Regional Skills and Employability Development Programme approved, totalling up to **£20m**. The Programme will support a reduction in skills shortages and gaps, and delivery improvements to ensure Inclusive Growth.



Low Carbon Transport & Active Travel Hubs Programme approved to support 3 complementary transport developments in Perth.

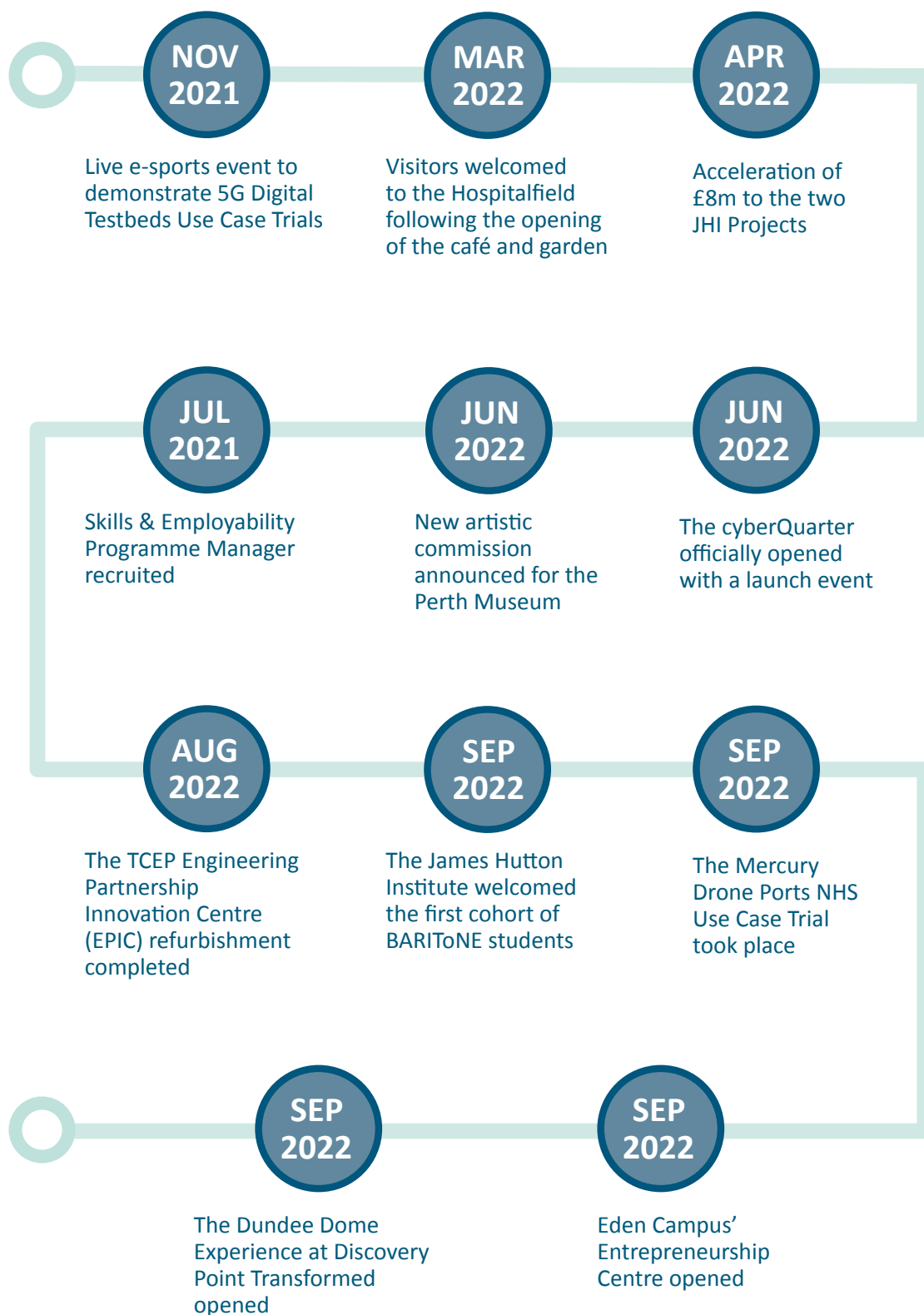


Stretch Dome Simulator at the Eden Campus approved, releasing **£300k**. This proof of concept Project provides a visualisation of systematic long-term trends in data'



Approval of the Tay Cities Engineering Partnership Project of up to **£2m** to drive up the skills and technology base of the sector, make it more competitive in an international marketplace and accelerate the pace of research and development.

Summary Timeline



How we will do it

An Empowered and Inclusive Tay



Providing fair opportunities, upskilling, productivity and competitiveness.

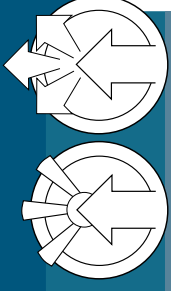
The Projects

- Tay Cities Engineering Partnership (£2m)
- Aviation Academy for Scotland (£8.1m)

The Programme

- Regional Skills & Employability Development Programme (£20m)
- Digital Skills £4.324m of the £20m Programme)
- Life Sciences, Biotechnology and Medical
- Technology (£1.975m of the £20m Programme)
- Upskilling of SMEs (£2.47m of the £20m Programme)
- Hospitality (2m of the £20m Programme)

An Innovative and International Tay



Increasing research and development opportunities both regionally and globally. Creating opportunities within hospitality, tourism and improving our quality of life, lifestyle and environment.

The Projects

- International Barley Hub (£35m)
- Advanced Plant Growth Centre (£27m)
- Eden Campus (£26.5m)
- Growing Tay Cities Biomedical Projects Cluster (£25m)
- cyberQuarter (£11.7m)
- Just Tech (£15m)
- Studio Dundee (£3m)
- Project Beacon (£5.2m)
- Perth Innovation Highway (£5m)
- Stretch Dome Simulator (£300k)
- Perth Museum (£10m)
- Innerpefferay Library (£100k)
- Crieff International Highland Centre (£1m)
- Aero Space Kinross (£1.6m)

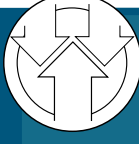
The Fund

- Angus Fund (£26.5m)
- Mercury Drone Ports (£1m of the £26.5m Fund)
- CASI Programme (£15m of the £26.5m Fund)
- Angus Rural Mobility Hub (£2.9m of the £26.5m Fund)
- Connecting Montrose (£2.6m of the £26.5m Fund)
- Zero Four (£2m of the £26.5m Fund)
- Low Carbon Housing (£3m of the £26.5m Fund)

The Programmes

- Regional Culture & Tourism Investment Programme (£37m)
- Pitlochry Festival Theatre (£10m of the £37m Programme)
- Hospitalfield (£2.5m of the remaining £27m Programme)
- Discovery Point Transformed (£5.5m of the remaining £27m Programme)
- Advanced Manufacturing Programme (£8m)

A Connected Tay



Includes public transport and digital connectivity.

The Projects

- Perth Bus & Rail Interchange (£15m)
- Dundee Airport Investment (£9.5m)
- 5G Digital Testbeds (£2m)
- Rural Angus & Rural Perth and Kinross High
- Speed Broadband (£2m)

The Programme

- Low Carbon Transport & Active Travel Hub Programme (£3.5m)
- Phase 1: Broxden Low Carbon Travel Hub (£635k)
- Phase 2: Perth Active Travel Hub (£1.265m)
- Phase 3: Hydrogen Refueling Station (£1.6m)



490,000+
people, or about 10% of the country's population, live in the area covered by Tay Cities Deal

TAYCITIES
Smarter + Fairer

Secure over
6000
jobs

£30.1m
An Empowered and Inclusive Tay

£237.9m
An Innovative and International Tay (includes Culture & Tourism)

£32m
A Connected Tay

£37m
Regional Culture and Tourism Investment Programme

£700m
investment, including **£300m** from Governments

£20m
Regional Skills & Employment Development Programme

£8m
Advanced Manufacturing Programme

£26.5m
Angus Fund

42
Projects and Programmes across the region

Introduction





Councillor Whiteside, Angus Council (Joint Committee Chair 2022) and Cllr Laing, Perth & Kinross Council (Joint Committee Chair 2023)

A Joint Introduction from the 2022 and 2023 Chairs of the Joint Committee

The partnerships between UK and Scottish Governments, Angus, Dundee, Fife and Perth & Kinross local authorities, the higher and further education sector, business sector, third sector interface bodies, Scottish Enterprise, Tactran, VisitScotland and Skills Development Scotland continue to thrive.

Working together in our shared vision for the Deal, we remain committed to empower and promote inclusion throughout the region's people, places, businesses and communities.

At the time of writing 14 Projects, 4 Programmes and 1 Fund of the Deal's projects and programmes are already delivering growth and driving investment into the area.

To date there has been £219m approved by Governments and the Partnership for investment from the full £300m Deal. This had led to the creation of new jobs, regional investment, and securing acceleration of funding of up to £20.9m.

In the last year we have made outstanding progress and celebrated many milestone moments including; RRS Discovery Visitor Centre's visual and virtual transformation, Mercury Drone Port's trials beginning with NHS Tayside, the opening of Abertay's cyberQuarter for cybersecurity research, innovation and industry growth, approval to create a multi-million pound Engineering Partnership Innovation Centre, improved connectivity across Angus and Perth & Kinross, as well as signing letters of commitment to develop a Centre for Agricultural Sustainable Innovation with the Headquarters being established in Forfar.

By connecting the region through improved physical and digital infrastructure, promoting inclusive growth and enhancing the region's world-class cultural assets, the Tay Cities Region Deal partners have made outstanding progress, and it's all thanks to their collaboration, hard work and drive that they have moved forward at such pace.

However, as we reached the end of this reporting year the impact of inflation was already starting to bite. With costs of services and materials escalating, all of the partner organisations are acutely aware of the effect this may have on the rate and scale of progress. Close monitoring of the issues which arise will be a key role of the Joint Committee, as we continue to work together to realise the positive benefits the Deal offers to create a smarter and fairer Tay Cities region at a time when investment is most needed.



The Tay Cities Region Deal will support business growth, develop innovative technologies, enhance productivity, develop skills and create jobs.



Cities Region Deal Overview



Cities Region Deal Overview

The Tay Cities Region Deal was signed on 17th December 2020 by the Tay Cities Partnership and both Governments. The Deal is a combined investment of £300m from the Scottish and UK Governments over the coming 10 years to deliver benefits over the next 15 years.



The Tay Cities Region Deal¹ will support business growth, develop innovative technologies, enhance productivity, develop skills, and create jobs. Over its lifetime, from Deal Signing in December 2020 to 2035, the City Deal will deliver 2 key outcomes: securing over 6,000 jobs and lever in over £400m of investment.

The Deal follows the Regional Economic Strategy themes of;



Empower and promote inclusion – by ensuring that local people have the skills they need to succeed in the modern workplace and growth is inclusive, with a Government investment of up to £30.1m;



Innovate and internationalise – by developing globally recognised clusters of academic and business excellence, with a Government investment of up to £237.9m; and



Connect – by improving physical and digital infrastructure, with a Government investment of up to £32m.

The Tay Cities Region Deal is comprised of a number of local and regional partners. These include:

- Local Authorities – Angus Council, Dundee City Council, Fife Council and Perth & Kinross Council
- Higher Education and Further Education sector
- The business sectors
- Regional third sector interface bodies
- Scottish Enterprise
- Skills Development Scotland
- Tactran
- VisitScotland

More information on the Deal, including the Projects, is available in the Deal Document¹

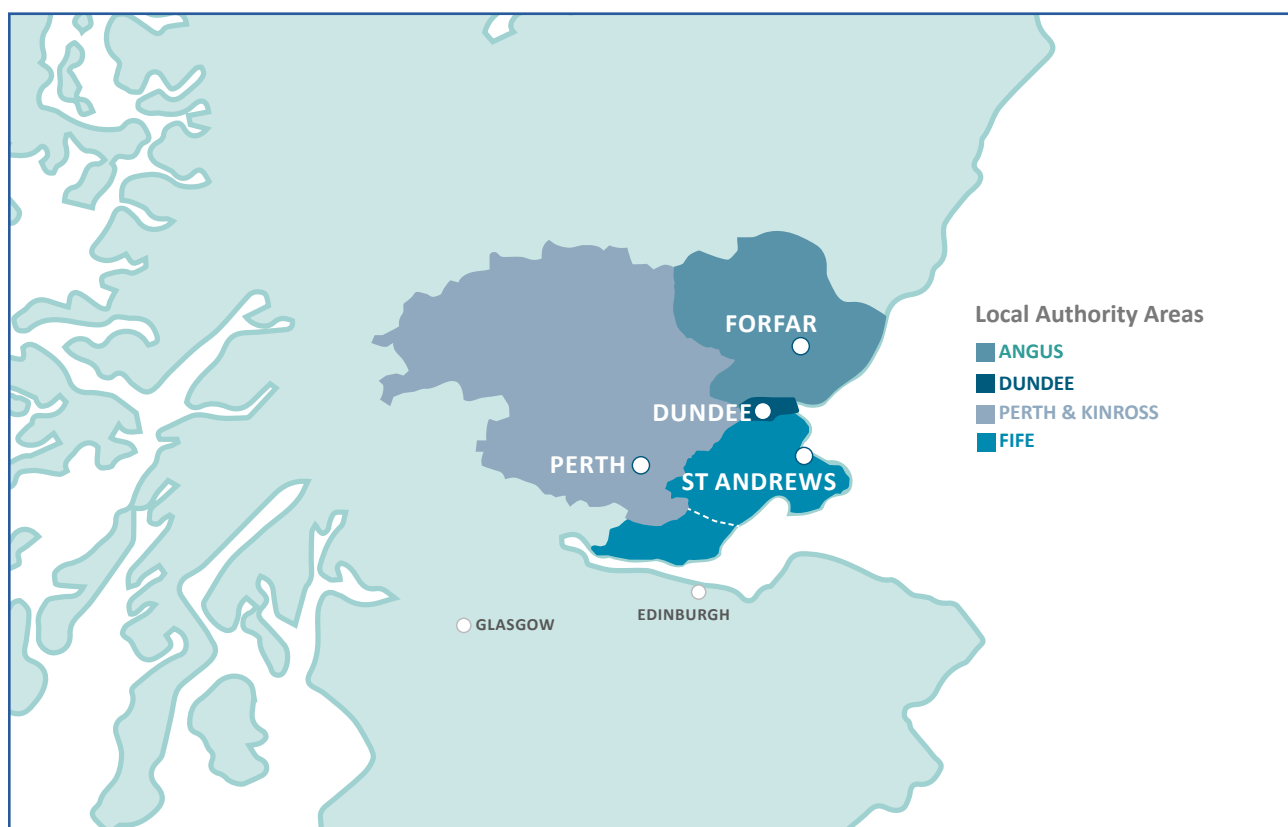
¹ https://www.taycities.co.uk/sites/default/files/tay_cities_deal_doc_feb_8.pdf

Geographical Overview

The map below shows the geographical area of the four Local Authorities within the Deal: Angus, Dundee City, Fife and Perth and Kinross. Noting that only North Fife is included within the Deal, with the remainder of Fife within the Edinburgh and South East City Region Deal.

More information on where the projects are located can be found on the Deal's interactive map² on www.taycities.co.uk

Diagram 1



² <https://www.taycities.co.uk/publications>

Financial Statement



Financial Statement

The Scottish Government and the UK Government will each invest up to £150 million in the Tay Cities Region Deal (the Deal).

A summary of the Deal investment is shown below in Table 1.

Table 1: Tay Cities Region Deal Financial Summary

Tay Cities Region Deal Thematic Board	Programme/ Project	Scottish Government Investment (£000)	UK Government Investment (£000)	Partner Investment (£000)	Total Investment (£000)
An Empowered and Inclusive Tay					
Skills	Regional Skills and Employability Development Programme	20,000	0	0	20,000
	Tay Cities Engineering Partnership	2,000	0	500	2,500
	Aviation Academy for Scotland	0	8,100	0	8,100
An Innovative, International Tay					
Innovative, International	Growing the Tay Cities Biomedical Cluster	25,000	0	119,099	144,099
	International Barley Hub	15,000	20,000	0	35,000
	Advanced Plant Growth Centre	2,000	25,000	0	27,000
	Angus Fund	0	26,500	38,900	65,400
	cyberQuarter	6,000	5,700	5,024	16,724
	Just Tech	0	15,000	0	15,000
	Perth Innovation Highway	0	5,000	17,242	22,242
	Studio Dundee	3,000	0	21,000	24,000
	Advanced Manufacturing Programme	8,000	0	8,000	16,000
	Eden Campus	2,000	24,500	110,394	136,894
	Stretch Dome Simulator	0	300	0	300
	Project Beacon	0	5,200	12,425	17,625
Culture & Tourism	Regional Culture & Tourism Investment Programme ³	19,000	0	19,000	38,000
	Regional Culture and Tourism Investment Programme - Hospitalfield	5,500	0	5,500	11,000
	Regional Culture and Tourism Investment Programme – Discovery Point Transformed	2,500	0	2,500	2,500
	Pitlochry Festival Theatre	10,000	0	10,000	20,000
	Perth Museum	0	10,000	15,217	25,217
	Innerpeffray Library	0	100	0	100
	Crieff International Highland Centre	0	1,000	660	1,660
	Aero Space Kinross	0	1,600	1,285	2,885

³ The full investment from Governments for the Regional Culture & Tourism Investment Programme includes Hospitalfield, Discovery Point Transformed and Pitlochry Festival Theatre. Therefore, the figure does not include Hospitalfield, Discovery Point Transformed and Pitlochry Festival Theatre as these are shown separately.

A Connected Tay					
Digital	Rural Angus and Rural Perth and Kinross Highspeed Broadband	0	2,000	5,980	7,980
	5G Digital Testbeds	2,000	0	0	2,000
Transport	Low Carbon Transport & Active Travel Hubs	3,500	0	6,874	10,374
	Dundee Airport Investment	9,500	0	400	9,900
	Perth Bus & Rail Interchange	15,000	0	0	15,000
ALL	TOTAL	150,000	150,000	400,000	700,000

Since Deal signing in December 2020, a significant amount of funding has been released to the end of this reporting period.

Key Headlines

- Since the Deal Signing, £74.1m of funding has been released, including the land transfer value of £3.6m for the International Barley Hub project.
- Up to the end of September 2021, the Joint Committee approved £219m of its awarded funding; this includes £154.6m of funding for projects and an additional £64.4m of funding for Programmes / Fund which are waiting for projects to be developed. This equates to over two thirds of the overall Deal funding.
- To the end of September 2022, the Partnership has secured acceleration of up to £20.9m of Government funding against its awarded profiles at Deal signing (£3.9m in 20/21, £9m in 21/22 and £8m in 22/23).

Table 2: Summary of claims made to the end of September 2021

Tay Cities Region Deal Thematic Board	Programme/Project	Total Government Investment over Period of the Deal (£000)	Q3 2020 to Q2 2021 funding released (£000)
An Empowered and Inclusive Tay			
Skills	Regional Skills and Employability Development Programme ⁴	20,000	0
	Regional Skills and Employability Development Programme – Programme Manager Post	506,220	10
	Regional Skills and Employability Development Programme - Digital Skills	4,324	0
	Regional Skills and Employability Development Programme – Life Sciences, Biotechnology and Medical Technology	1,975	0
	Regional Skills and Employability Development Programme – Upskilling of SME's	2,470	0
	Regional Skills and Employability Development Programme - Hospitality	2,000	0
	Tay Cities Engineering Partnership	2,000	382
	Aviation Academy for Scotland	8,100	0
An Innovative, International Tay			
Innovative, International	Growing the Tay Cities Biomedical Cluster	25,000	1,744
	International Barley Hub	35,000	10,395
	Advanced Plant Growth Centre	27,000	12,359
	Angus Fund	26,500	0
	cyberQuarter	11,700	5,325
	Just Tech	15,000	0
	Perth Innovation Highway	5,000	0
	Studio Dundee	3,000	0
	Advanced Manufacturing Programme	8,000	0
	Eden Campus	26,500	24,298
	Stretch Dome Simulator	300	300
	Project Beacon	5,200	0

Culture & Tourism	Regional Culture & Tourism Investment Programme ⁴	19,000	0
	Regional Culture and Tourism Investment Programme - Hospitalfield	5,500	2,040
	Regional Culture and Tourism Investment Programme – Discovery Point Transformed	2,500	900
	Pitlochry Festival Theatre	10,000	0
	Perth Museum	10,000	10,000
	Innerpeffray Library	100	0
	Crieff International Highland Centre	1,000	0
	Aero Space Kinross	1,600	0
A Connected Tay			
Digital	Rural Angus and Rural Perth and Kinross Highspeed Broadband	1,800	1,993
	5G Digital Testbeds	2,000	100
Transport	Low Carbon Transport & Active Travel Hubs Phase 1 - Broxden Low Carbon Travel Hub	635	29
	Low Carbon Transport & Active Travel Hubs Phase 2 Perth Active Travel Hub	1,265	0
	Low Carbon Transport & Active Travel Hubs Phase 3 – Hydrogen Refueling Station	1,600	0
	Dundee Airport Investment	9,500	600
	Perth Bus & Rail Interchange	15,000	0
ALL	TOTAL	300,000	70,475*

* Total released is £74.1m. This includes a land transfer for the value of £3.6m for International Barley Hub

⁴ The full investment from Governments for the Regional Culture & Tourism Investment Programme includes Hospitalfield, Discovery Point Transformed and Pitlochry Festival Theatre. Therefore, the figure does not include Hospitalfield, Discovery Point Transformed and Pitlochry Festival Theatre as these are shown separately.



A low-angle photograph of several tall, dark, conical structures against a blue sky. The structures are silhouetted against the sky, which is a gradient of light blue. A teal rectangular box is overlaid on the image, containing the text "Governance and Accountability" in white. The structures appear to be part of a modern architectural design, possibly a sculpture or a public art installation.

Governance and Accountability

Governance and Accountability

Governance Structure

The Tay Cities Region Deal partners work collaboratively with both the UK and Scottish Governments as well as regional partners, including representation from private and third sector organisations. The Deal's governance arrangements enable decisions to be taken in an open and transparent way, in one place, for the whole of the Tay Cities region. The Joint Committee established by local authority partners in 2017, is the ultimate regional decision making body for both regional collaboration and the Deal.

The Joint Committee is supported by a number of bodies which are summarised in Diagram 2 on page 24. More information on the governance structure and its bodies can be found in the Deal Document. The overarching governance structure, as well as the terms of reference, membership, and chairing arrangements for each body will be reviewed annually.

Key changes since September 2021:

- In February 2022, the Partnership and Governments agreed a Change Control Process for the Deal. This has been shared with other Deals in Scotland as an exemplar.
- In March 2022, the Partnership and Governments approved the first Tay Cities Region Deal Benefits Realisation Plan. This document supports on going monitoring and evaluation of the Deal and will be updated annually.
- In April 2022, the Management Group agreed that the Heads of Economic Development Group (HoED) would lead on regional collaboration. Since, the Chair of the Group has been invited to join all Management Group meetings to provide updates and have an overarching, strategic view of activities within the region.
- Following the May Local Elections, a new set of Councillors formed the Joint Committee membership. This included a new Chair, Cllr Beth Whiteside of Angus Council, and Vice Chair, Cllr Grant Laing of Perth and Kinross Council.
- The updated Terms of Reference for the Enterprise Forum have been agreed by the Partnership and shared with the Governments. The Terms of Reference update the previous Terms to emphasise the role of the Forum and outlines next steps in re-engaging the Forum with the Deal. Furthermore, a new Chair has been appointed for the Forum and the group is continuing to seek who will join in the Vice Chair position.
- There has been an increased focus on regional collaboration for the Partnership. As such, all meetings across all parts of the Governance have regional collaboration as Part 1 of the meeting and the Deal as Part 2.

Regional Collaboration

This reporting period has seen a renewed focus on Regional Collaboration and implementation of the Regional Economic Strategy, particularly in the context of the Deal and a shift towards delivery. The publication of the Scottish Government National Strategy for Economic Transformation (NSET) and Scottish Government research and positioning on Regional Economic Partnership Structures have also provided a context for a fresh look at the approach.



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. This would allow partners to collaborate on the areas which would deliver the greatest value, rather than the impact being diluted through undertaking too much. Commitment to a refresh of elements of the strategy and prioritisation of actions was identified as a key action to take this forward. This will also ensure other external factors such as Brexit, the impact of the pandemic, drive to deliver on climate change be taken into account.

Whilst a collaborative approach has worked extremely well across the Partnership there was general agreement from Partners to hold a facilitated session on collaboration to better articulate and direct the approach and to refine priorities.

The UK Shared Prosperity Fund has also been part of the collaborative approach during the reporting year, committing much of existing resource to develop investment plan. Whilst partners have submitted individual investments plans there has been useful discussion and quick agreement on joint project areas.

National PMO Networking Group

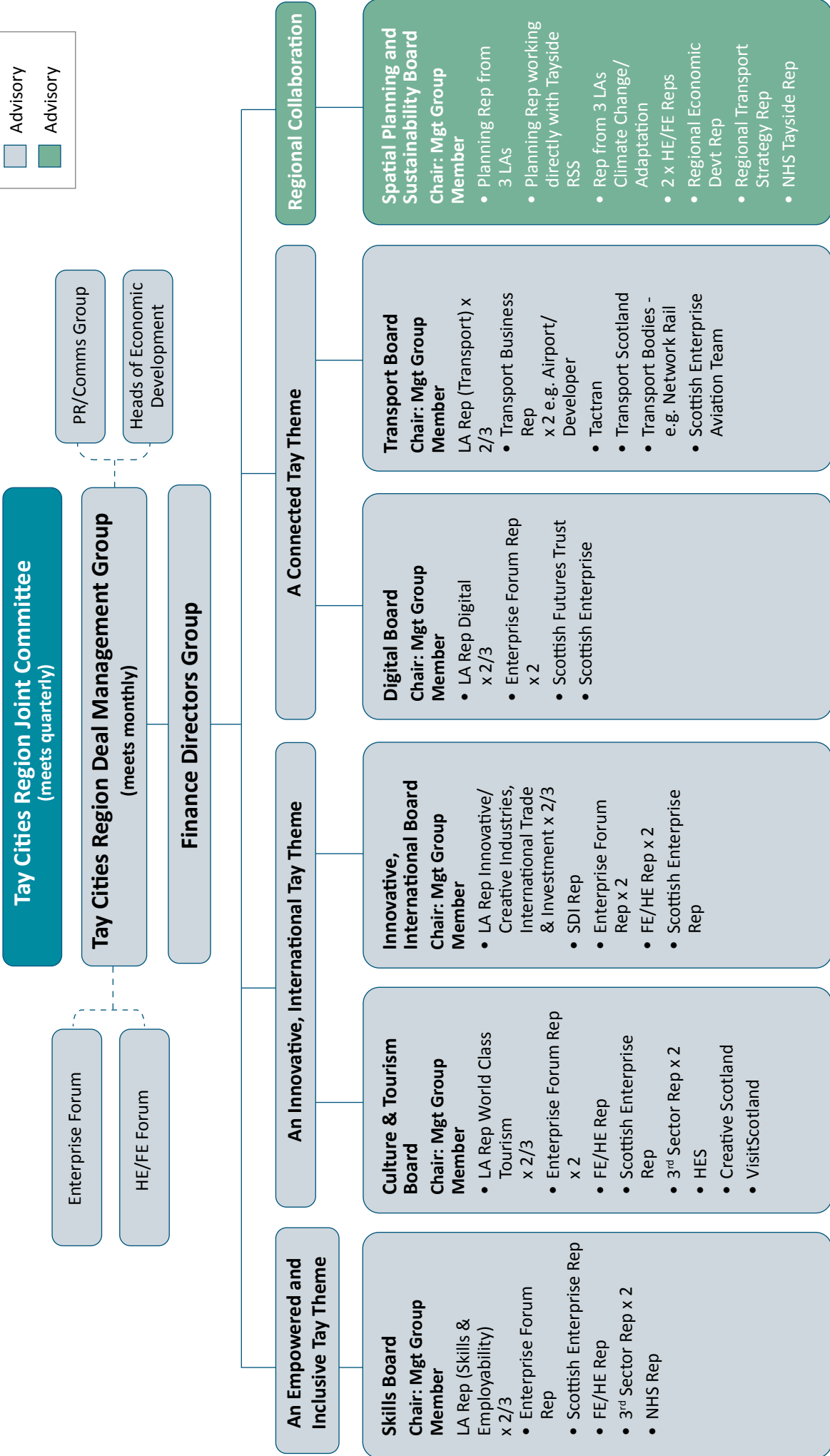
The Tay Cities Region Project Management Office continues to lead and provide the secretariat for a National PMO Networking Group, which includes representation from Regional and Growth Deals from across the UK. The group aims to share best practice and exchange guidance, use the platform for presentations from various organisations and utilise the knowledge of its members to start sub-groups specific to enhancing City & Growth Deals. To date, a Decarbonisation sub-group, Benefits Realisation sub-group and SharePoint sub-group have been established with members from the Network.

The PMO have also helped to coordinate the following presentations at meetings:

- UK and Scottish Governments attendance including in August 2022 to discuss inflationary pressures
- Green Book training with the HM Treasury
- Carbon training by the Scottish Government
- Car use reduction policies and links to City Deals from Transport Scotland
- FutureScot upcoming City Deal networking events.

The Group also has engaged with Historic Environment Scotland and the NHS.

Diagram 2: Tay Cities Region Deal Governance Structure



Communication & Press



Tay Cities Communications & Press

There has been significant press coverage and good news stories relating to the Tay Cities Region Deal to date, supported by an active Communications & PR Group, including:

- Progress on Clean Growth Business Park, Angus⁵
- Improved Digital Connectivity for Angus⁶
- Driving Forward Development of Agriculture Technology⁷
- Scotland's First Drone Port to Begin Working with NHS⁸
- Ultrafast Broadband to be Provided to 154 Community Hubs and Over 600 Households⁹
- Tay Cities Region Deal Priorities Outlined in First Annual Performance Report¹⁰
- Green Light for Multi-Million-Pound Tay Cities Engineering Partnership¹¹
- Abertay Cyberquarter Creates New Home for Cybersecurity Research, Innovation and Industry Growth¹²
- NHS Drone Delivery Service Trials Begin in Angus¹³

The Group is comprised of representatives from the PMO, UK and Scottish Governments, universities and colleges central to the Deal and local authorities.

To assist with all communication and press opportunities, the Partnership have developed a protocol for all Programmes and Projects to use as guidance for any upcoming releases. The Tay Cities Deal Communications Protocol, as agreed at Deal Signing, has a commitment to be refreshed annually.

The Protocol was refreshed at the end of 2021, gaining Partnership agreement in December 2021. It is due to be refreshed in Autumn 2022.

Story Matrix

As part of the Deal Document commitment and the PR & Comms Protocol, the Partnership has a commitment to develop a Story Matrix. The Story Matrix will consist of a library of case studies and progress of the benefits delivered by TCRD Projects. This can be used in future press releases and updates. It will be informed by and inform the Annual Performance Report.

Q&A

Another commitment of the PR & Comms Group is to hold a Q&A of frequently asked questions. The Group will continue to review this on an annual basis, or as required.

⁵ <https://www.taycities.co.uk/news/progress-clean-growth-business-park>

⁶ <https://www.taycities.co.uk/news/improved-digital-connectivity-angus>

⁷ <https://www.taycities.co.uk/news/driving-forward-development-agricultural-technology>

⁸ <https://www.taycities.co.uk/scotlands-first-drone-port-begin-working-nhs>

⁹ <https://www.taycities.co.uk/news/ultrafast-broadband-be-provided-154-community-hubs-and-over-600-households>

¹⁰ <https://www.taycities.co.uk/tay-cities-region-deal-priorities-outlined-first-annual-performance-report>

¹¹ <https://www.taycities.co.uk/news/green-light-multi-million-pound-tay-cities-engineering-partnership>

¹² <https://www.taycities.co.uk/news/abertay-cyberquarter-creates-new-home-cybersecurity-research-innovation-and-industry-growth>

¹³ <https://www.taycities.co.uk/news/nhs-drone-delivery-service-trials-begin-angus>



The Deal



The Deal

This section of the Annual Performance Report summarises the projects that have entered into the implementation stage following full Government and Joint Committee approval, up to and including September 2022. The projects are categorised by Tay Cities Region Deal themes and are aligned to the Implementation Plan, with any updates to milestones and risks highlighted.

Monthly forecasting and quarterly performance reports are prepared by the PMO with input from projects throughout the year and shared with Governments and Management Group. This provides interim updates.

Status of Programmes and Projects

The Deal is comprised of 1 Fund, 4 Programmes and 37 Projects. Within the Programmes and Fund, there will be additional projects emerging as the Deal progresses. Table 3 below shows an overview of the status of the Programmes and Projects up to the end of September 2022.

Table 3: Status of Programmes and Projects up to end of September 2022

Programme/Project	Location	(Expected) Full Business Case Approval	Stage
An Empowered and Inclusive Tay			
Regional Skills and Employability Development Programme	Regional	11 March 2022	Implement / Define (Phase 2)
Regional Skills and Employability Development Programme – Skills Programme Manager Post	Regional	11 March 2022	Implement
Regional Skills and Employability Development Programme – Digital Skills	Regional	December 2022	Define
Regional Skills and Employability Development Programme – Life Sciences Further Education: Biotechnology and Medical Technology	Regional	June 2023	Define
Regional Skills and Employability Development Programme – Supporting SME Skills	Regional	June 2023	Define
Regional Skills and Employability Development Programme – Hospitality Skills	Regional	March 2023	Define
Tay Cities Engineering Partnership	Regional	11 March 2022	Implement
Aviation Academy for Scotland	Regional	September 2023	Define
An Innovative, International Tay			
Growing the Tay Cities Biomedical Cluster	Dundee	19 February 2021	Implement
International Barley Hub	Perth & Kinross	19 March 2021	Implement
Advanced Plant Growth Centre	Perth & Kinross	19 March 2021	Implement
Angus Fund	Angus	19 February 2021	Implement
Angus Fund – CASI Programme	Angus	March 2023	Define
Angus Fund – Mercury Drone Ports	Angus	March 2023	Define
Angus Fund – Angus Rural Mobility Hub	Angus	March 2023	Define

cyberQuarter	Dundee	18 June 2021	Implement
Just Tech	Dundee	2024/25	Define
Perth Innovation Highway	Perth & Kinross	September 2023	Define
Studio Dundee	Dundee	2023/24	Define
Advanced Manufacturing Programme	Regional	2023/24	Define
Eden Campus	Fife	21 August 2020	Implement
Stretch Dome Simulator	Fife	17 December 2021	Define
Project Beacon	Perth & Kinross	2025/26	Define
Regional Culture & Tourism Investment Programme	Regional	19 June 2020	Define
Regional Culture and Tourism Investment Programme - Hospitalfield	Angus	17 July 2020	Implement (phase 1)
Regional Culture and Tourism Investment Programme – Discovery Point Transformed	Dundee	23 April 2021	Implement (phase 1)
Pitlochry Festival Theatre	Perth & Kinross	March 2023	Define
Perth Museum	Perth & Kinross	19 March 2021	Implement
Innerpefferay Library	Perth & Kinross	2028/29	Define
Crieff International Highland Centre	Perth & Kinross	2028/29	Define
Aero Space Kinross	Perth & Kinross	March 2023	Define
A Connected Tay			
Rural Angus and Rural Perth and Kinross Highspeed	Angus and Perth & Kinross	18 June 2021	Implement
5G Digital Testbeds	Regional	11 March 2022	Implement
Low Carbon Transport & Active Travel Hubs Programme	Perth & Kinross	1 July 2022	Implement
Low Carbon Transport & Active Travel Hubs Phase 1: Broxden Low Carbon Transport Hub	Perth & Kinross	1 July 2022	Implement
Low Carbon Transport & Active Travel Hubs Phase 2: Perth Active Travel Hub	Perth & Kinross	September 2023	Define
Low Carbon Transport & Active Travel Hubs Phase 3: Hydrogen Refueling Station	Perth & Kinross	2024/25	Define
Dundee Airport Investment	Dundee	19 February 2021 (revenue)	Implement (revenue)
		March 2024 (capital)	Define
Perth Bus & Rail Interchange	Perth & Kinross	2025/26	Define

Stage no.	Definition
1. Define	Business case being developed, and not yet approved by Joint Committee
2. Implement	Business case has been approved by Joint Committee, and is being implemented. In a capital project, this may be construction; for skills projects this may be establishing/delivering a course
3. Deliver	Project is in place and monitoring and evaluation is in framework to assess if it is achieving its objectives.
4. Legacy	Project has resulted in mainstreaming or improvements to business as usual (impact) that is generated beyond the funded period

The projects which have received Full Business Case approval from Joint Committee in this reporting period are listed below;

- Stretch Dome Simulator
- 5G Digital Testbeds
- Regional Skills & Employability Development Programme
- Skills & Employability Programme Manager
- Tay Cities Engineering Partnership
- Low Carbon Transport & Active Travel Hubs Programme
- Low Carbon Transport & Active Travel Hubs Phase 1: Broxden Low Carbon Transport Hub

The following information provides a snapshot of progress throughout the year and are shown by Tay Cities Region Deal theme.

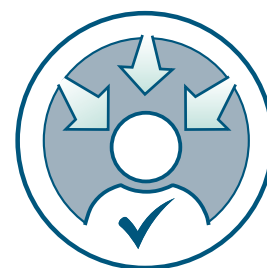


An Empowered & Inclusive Tay

Skills

Within the Skills theme there is 1 Programme; the Regional Skills and Employability Development Programme, of which there are 5 Phase 1 Projects, and 2 Projects; Tay Cities Engineering Partnership and Aviation Academy for Scotland.

In March 2022, the Regional Skills & Employability Development Programme and Skills Programme Manager, as one of the Phase 1 Projects, were approved by the Partnership. In addition, the Tay Cities Engineering Partnership Project was approved and is now in delivery.



It is anticipated that 4 of the other Phase 1 Skills Projects will be approved in 2023.



Regional Skills and Employability Development Programme

Programme Owner	Skills Development Scotland
Enabling the region to...	Empower and Promote Inclusion
Thematic Board	Skills

Programme Description

The Skills and Employability Development Programme sets out the partnership's proposition to bring about the changes in skills and employability services that will support this vision and make a positive, tangible difference to our citizens, businesses and other stakeholders.

The Programme will make incremental changes to improve the currently complex and weakly-connected regional employability and skills landscape to deliver better outcomes for all, particularly those people facing significant disadvantages to securing and sustaining meaningful, high-quality employment. Up to £20 million City Deal investment available will help develop a new collaborative, pan-regional approach and put necessary interventions in place to drive improved economic performance and inclusion across the region.

The investment will also help drive up skill levels and productivity across the region through developing employment, training, and skills development opportunities. The direct impact of this investment will be an incremental reduction in unemployment and economic inactivity among Programme beneficiaries across the region, employers reporting fewer skills shortages and gaps, and citizens able to access the training and employability support they need to succeed within the workplace.

Headline Achievements

The Programme received Full Business Case approval from the Joint Committee on 11th March 2022. To date, the Programme has achieved the following:

- Programme Manager recruited and started working with the Skills Programme in July 2022.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Transfer of Programme Ownership from SDS to Perth & Kinross Council	November 2022
Programme refresh to update the Skills Programme and reflect the current and future position	January 2023
Approval and start of second tranche of projects. Content and outcomes to be defined in project business cases.	2023
Assessment, review and evaluation of projects to ensure they flexibly respond to emerging labour market needs within the City Deal region and deliver specific project aims and objectives detailed within project business cases.	21/22 and annually

Key Risks

Risk	Mitigation
Lack of buy in from partners in developing a collaborative, regional delivery system. Could result in silo working and delivery resulting in an inconsistent approach to developing a skills and employability ecosystem	Ensure signed agreement from all partners, clearly setting out their roles and responsibilities. The appointment of a suitably skilled Programme Manager will help mitigate against this, ensuring regular engagement with all partners, and development of an effective, collaborative regional approach. Utilise different mediums of communication to effectively engage partners in different ways
Lack of buy-in to / poorly attended Skills Advisory Board. Would result in lack of understanding of the deal benefits and delivery of projects across the region.	Secure sign-up to SAB terms of references from all partners for regular engagement, and clearly set out their roles and responsibilities. Frequent engagement between Programme Manager, project leads and SAB members to ensure they are engaged and appraised of all developments.



Potential for projects to be delayed in the development phase, resulting not meeting planned budget profile (phase 1)	Regular updates are provided at the SAB around the progress of individual projects. If appropriate, these will be escalated to the PMO and TCD management group.
Potential for projects to be delayed in the development phase or not meet the programme objectives, resulting in not meeting planned budget profile (phase 2 and beyond)	A workshop to scope out the next phase of projects is planned late 2022 with a follow up meeting in early 2023. Projects will require OBC for progressing and must meet programme objectives.

Regional Skills & Employability Programme Manager 	Regional Skills & Employability Programme Manager	
	Programme Owner	Perth & Kinross Council
	Enabling the region to...	Empower and Promote Inclusion
	Thematic Board	Skills

Project Description

The Skills Programme Manager Post will support the Regional Skills Programme. The Post will be critical in driving the strategic agenda and ensure delivery activity remains consistent with the overall Programme business case, the strategic context of the Deal and with the ambitions of partners, stakeholders and citizens. An important aspect of the role will be building consensus and collaboration across the region's four local authorities and other relevant stakeholders (e.g. FE and HE institutions, and local employers) on the future direction and focus of regional skills activity, ensuring this effectively compliments and enhances existing local and national Programmes. This collaboration activity will be developed in a number of ways, including through discussion at the Skills Advisory Board, through linking in with the Heads of Economic Development Group, and liaising individually with the various Council Employability and Skills Leads.

A key part of this role will be to identify areas of potential collaboration and joint working and lead on their development and implementation, through building relationships with key partners such as those outlined above, regular and meaningful communication with these (and other relevant) partners.

Headline Achievements

The Programme received Business Justification Case approval from the Joint Committee on 11th March 2022. To date, the Programme has achieved the following:

- The Programme Manager was recruited in early 2022 and has started working with the Skills Programme and Projects since 25th July 2022.

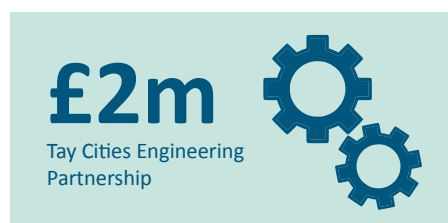
Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Supporting the Programme refresh and liaison with all Projects	January 2023

Key Risks

Risk	Mitigation
Ensure the programme manager is neutral and impartial across the region if employed by one local authority / one partner	This will be mitigated against by ensuring a robust recruitment process, and ensuring strong relationships, buy-in and frequent engagement from and between all partners
Inability to influence the activities of partners and failure to achieve collaboration and joint working	Mitigated by creating frequent engagement and communication to encourage open and honest channels where partners can raise concerns at a senior level with the Skills Advisory Board and the Management Team where such issues could be discussed and resolved
A single role creates a “key person” risk where there is no back up or succession post available in the event the programme manager is on leave, on long-term absence or leaves the post early	Mitigated against through well-defined channels of communication, frequent updates, and sharing of files (as appropriate) and best practice among partners to ensure that all partners are fully briefed, and short-term resource can be found should long-term absence or early departure occur, enabling partners to manage the post until re-recruitment can take place



Tay Cities Engineering Partnership

Programme Owner	Dundee & Angus College
Enabling the region to...	Empower and Promote Inclusion
Thematic Board	Skills

Project Description

The Scottish Government will commit up to £2 million to the Tay Cities Engineering Partnership (TCEP), which will drive up the skills and technology base of the sector to make it more competitive in an international marketplace and accelerate the pace of research and development. It will do this by bringing together the resources of key private and public engineering facilities in a new collaboration.

TCEP will drive the transformation of manufacturing processes needed to ensure the sector remains competitive, such as the implementation of robotics and artificial intelligence; increased internationalisation; increased productivity; research and development and skills development. It will

achieve this by increasing the profile of engineering as a career opportunity, developing training places and providing business support. Specifically, it will:

- Create a Mobile Engineering Technology Unit to showcase Engineering and Advanced Manufacturing (EAM) and science, technology, engineering and mathematics (STEM) subjects. This will raise the profile of these subjects, increase careers awareness and address possible negative perceptions. The Unit will be fitted out with robotics and virtual reality technology to create opportunities in EAM and STEM from early years through both primary and secondary schools, into further and higher education and on to the workplace;
- Develop new foundation and graduate level apprentice training places to meet skills demand and enhance employability, career development and staff up-skilling;
- Develop enhanced up-skilling programmes to meet the emerging requirements of new sectors;
- Create an EAM Centre of Excellence equipped with leading industry tools to trial, test and demonstrate new processes and equipment; and
- Create a Product Innovation Lab, located within the Aviation Academy for Scotland, to support businesses bringing new products to market. The Lab will offer cost-effective product prototyping and testing, as well as mass production (but at low volumes to suit new products) and specialist incubator and product development support.

Headline Achievements

The Project received Full Business Case approval from the Joint Committee on 11th March 2022.

To date, the Programme has achieved the following:

- Refurbishment of Dundee and Angus College facility to host the Engineering Partnership Innovation Centre (EPIC; the EAM Centre of Excellence referenced above);
- Entered into a collaboration agreement with an offshore wind farm development to secure £300,000 of leverage funding to support TCEP-related activities, including the creation of a Skills for the Future Lab hosted at EPIC; and,
- Signed a memorandum of understanding with the National Manufacturing Institute Scotland (NMIS) to explore collaborative opportunities with the wider engineering and manufacturing infrastructure.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Partnership Agreement in place and Project Manager recruited	March 2023
Increased quantity & range of machine tool equipment available for use at Dundee & Angus College, Angus Training Group and Perth College, University of the Highlands and Islands	September 2023

Key Risks

Risk	Mitigation
TCD023 Aviation Academy delayed.	Funding for the Product Innovation Lab can be re-allocated to TCEP main project and delivery re-phased.
Demand from the engineering sector declines resulting in weak demand for the provision.	The partners will take a holistic view of engineering, incorporating traditional provision (demand for which is in decline), but also new and growing sectors and occupations, such as digital and robotics, where there is high demand from both trainees and employers.
The engineering sector does not engage or buy in to the partnership's delivery model.	Lessons from other sectors will inform the design of the model. Case study evidence will be developed on the potential impact and benefits to employers as part of the partners' marketing strategy.

Case Study

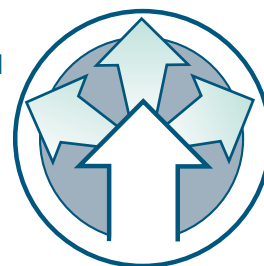
The creation of the Engineering Partnership Innovation Centre for the Tay Cities Engineering Partnership was completed in Summer 2022. By refurbishing existing workshop areas at Dundee and Angus College's Arbroath campus which were being used for traditional engineering curriculum, this large area (600m2) is now ready to be equipped with modern, industry standard equipment. This will create a facility where industry partners can come into the Centre to trial, test and demonstrate new equipment and modern technology. The Centre will ultimately replicate today's 21st century engineering work environment enabling employers to link their trainees' education or training to a realistic project-based industry environment. The refurbishment works were carried out in partnership between Dundee and Angus College's in house Estates Team and 5 local contractors. These contractors collectively provided services ranging from glazing and decorating to suspending ceilings and installing mechanical plant.



An Innovative, International Tay

Innovative & International

Within the Innovative and International theme there is 1 Programme - the Advanced Manufacturing Programme, 1 Fund - the Angus Fund, and 10 Projects - Growing the Tay Cities Biomedical Cluster, International Barley Hub, Advanced Plant Growth Centre, cyberQuarter, Just Tech, Perth Innovation Highway, Studio Dundee, Eden Campus, Stretch Dome Simulator and Project Beacon.



£188.2m
An Innovative and International Tay

Growing the Tay Cities Biomedical Cluster, International Barley Hub,

Advanced Plant Growth Centre, cyberQuarter, Eden Campus and Stretch Dome Simulator have all received Full Business Case approval. To the end of September 2022, there are no Angus Fund projects in delivery; however 3 projects are expected to be approved and in delivery 2022/23.

£25m
Growing the Tay Cities Biomedical Cluster

Growing the Tay Cities Biomedical Cluster	
Programme Owner	University of Dundee
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

The Scottish Government will commit up to £25 million to Growing the Tay Cities Biomedical Cluster.

The project will build on the region’s existing life sciences reputation, including drug discovery and medical technologies. It will attract inward investment in new life sciences companies and increase industrial engagement.

The project consists of an Innovation Hub to provide laboratory and office space to enable new companies specialising in life sciences to grow, and a Medical Technologies innovation centre which will be refurbished to create spaces (and associated offices) with the specialist equipment needed to demonstrate medical devices.

New technologies developed in this unique environment will provide a pipeline of investment opportunities to create new spin-out companies which can then access the Innovation Hub. It will also attract industrial partners to co-locate in the University and develop their research and development potential by accessing the facilities and highly specialised medical technology it will be equipped with.



Photo © Overlanders Architects

Headline Achievements

Since October 2021, the Project has achieved the following:

- Planning permission was approved, with conditions, for the Innovation Hub in March 2022.
- Planning permission was approved for the MedTech Research & Development Unit (refurbishment of Wilson House) in August 2022.
- £1.5m from charitable and public sector organisations has been secured.
- A further University of Dundee commitment towards project costs has been secured.
- Design of the Innovation Hub and Medical Technologies facility is complete and are being tendered.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Commencement of construction/fit out works: <ol style="list-style-type: none"> 1. Thiel Cadaver Facility Extension (CAHID) 2. MedTech R&D Unit Refurbishment (Wilson House) 3. Tay Cities Innovation Hub 	<ol style="list-style-type: none"> 1. March 2023 2. December 2022 3. January 2023
Completion of construction/fit out works: <ol style="list-style-type: none"> 1. Thiel Cadaver Facility Extension (CAHID) 2. MedTech R&D Unit Refurbishment (Wilson House) 3. Tay Cities Innovation Hub 	<ol style="list-style-type: none"> 1. July 2023 2. August 2023 3. September 2024

Key Risks

Risk	Mitigation
Construction inflationary costs: Escalating construction and refurbishment costs lead to enforced “cost cutting”, stalling the project or reducing the quality of project infrastructure.	An unprecedented rise in inflationary costs has resulted in a significant value engineering exercise being undertaken to bring costs down and provide an affordable solution. A revised work package has been put out to tender for the Innovation Hub and formal notification of a revised tender is anticipated in late November. The University is also reviewing the tender submission for the MedTech R&D unit and redesign of the Thiel facility extension has commenced to find a practical and cost-effective solution.
Procurement of building materials is delayed by major disruption to supply chains, labour resourcing and other issues.	Significant contingencies have been identified in each of the respective projects to cover unforeseen costs. Programme of works has built in contingencies for supply chain delays.
Unforeseen delay in ground conditions delays the Innovation Hub capital programme	A detailed site investigation has been undertaken and built into the project budget. However, unexpected ground conditions may be discovered when excavations start. Contingencies have been included to cover such an event.



International Barley Hub	
Programme Owner	The James Hutton Institute
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

The UK Government will commit up to £20 million and the Scottish Government will commit up to £15 million to the creation of an International Barley Hub at the James Hutton Institute. Barley is indispensable to the Scottish and UK economies, being vital to the distilling, brewing and food industries. It also has the potential for emerging uses in the health, chemical and energy sectors. However, future barley supply is increasingly uncertain due to the impact of climate change, developing worldwide demand, evolving pest and disease risks and pressure on managing soil health to enable crops to grow.

The IBH will establish a world-leading research facility for barley science, bringing together industry, dedicated facilities and world class scientists. It will:

- expand the scale and excellence of barley research and innovation, operating across a broad spectrum of disciplines;
- provide state of the art research equipment on site and at industry partners premises;
- have the capability to support work from the molecular, to the field level;
- increase the translation and application of this research around the globe;
- support a “Barley Cluster” of related processing, innovation and product interests; and
- develop a supporting skills and knowledge programme.

The International Barley Hub has been developed in parallel with the proposal for the Advanced Plant Growth Centre and at the request of the Approval Authorities these have been maintained as separate business case documents, although they ultimately result in the same physical infrastructure investment.



Headline Achievements

Since October 2021, the Project has achieved the following:

- Phase 0 (Enabling Works) complete.
- Phase 1 (New Access Road) 90% complete.
- Phase 2 (IFF/IBH Facilities) 95% complete.
- Phase 3 (Demolitions and Infrastructure) 85% complete.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Finalise phases 0 - 3	October – December 2022

Key Risks

Risk	Mitigation
Failure of income generation strategy	Competitive grant availability to be monitored and a strategy for engaging early with major funders developed through a dedicated business development team.
Construction inflation is higher than included in the Full Business Case.	Use of a recognised Construction Industry inflation index in the Business Case. The intended procurement strategy was to use a fixed price contract. However developments in the supply chain, have indicated there would be significant cost inflation for a wide range of raw materials including steel, wood and concrete, fuel. Initial inflation estimates were built into costings and are further compounded by the requirement to pay VAT at 20%. Exceptional inflationary pressures through 2022 can no longer be mitigated by value engineering or scope reductions and can only now be mitigated by reallocation of the equipment budget to the Design and Build process. This has been reflected in the Project's updated project Risk Register. The recent delays caused to the project were necessary to complete the value engineering and scope reduction exercises.

Case Study

BARIToNE Collaborative Training Partnership (CTP)

The next generation of barley researchers have received a multi-million investment through the Barley Industrial Training Network (BARIToNE) programme, a Collaborative Training Partnership (CTP) led by the Scotch Whisky Research Institute, the International Barley Hub at Hutton and the University of Dundee, with support from the Biotechnology and Biological Sciences Research Council and industry partners.

The Programme will see a cohort of 30 post graduate researchers supported with a total estimated value of £9m. The four-year studentships will be delivered over the period 2022-28 with £3m of funding from BBSRC, £600k in cash from industry and more than £5m in-kind co-investment from academic and commercial partners covering the entire length of the barley value chain.

The first cohort of BARIToNE students (8) and their supervisory teams were welcomed recently by an induction at the Waldorf Astoria, Edinburgh where they presented their projects.

The students will be mainly based in Dundee working closely with IBH and the next cohort of students (12) are being recruited to join us in 2023. Each student will be working with the International Barley Hub through the BARIToNE CTP for a four-year period.





Advanced Plant Growth Centre

Programme Owner	The James Hutton Institute
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

The UK Government will commit up to £25 million and the Scottish Government will commit up to £2 million to the creation of the Advanced Plant Growth Centre at the James Hutton Institute. It will build on existing expertise to deliver a cutting-edge plant research facility bringing together industry, advanced technology and world class scientists. The Centre embodies the idea of Agriculture 4.0, a green revolution with science and technology at its heart, with the aim of feeding future populations.

The Advanced Plant Growth Centre will be at the heart of plant and crop research and innovation in the Tay Cities region. It will develop the underpinning science and translate that science into industry, which will in turn increase the commercial, economic and environmental benefits of agriculture and the food and drink sector. The APGC will integrate:

- a plant characterisation facility, which uses imaging to quickly understand (before harvest) how crops respond and perform in different environments;
- post-harvest storage facilities;
- vertical growth facilities; and
- next-generation controlled environments which can simulate any current or future environment anywhere in the world (for example, increased greenhouse gases) to test the effect on crops.



Headline Achievements

Along with the International Barley Hub project, the Advanced Plant Growth Centre Project has achieved the following since October 2021:

- Phase 0 (Enabling Works) complete.
- Phase 1 (New Access Road) 90% complete.
- Phase 2 (IFF/IBH Facilities) 95% complete.
- Phase 3 (Demolitions and Infrastructure) 85% complete.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Finalise phases 0 - 3	October – December 2022

Key Risks

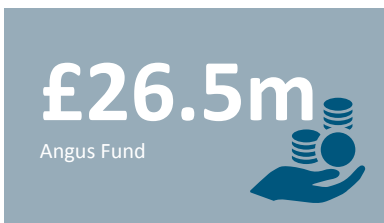
Risk	Mitigation
Failure of income generation strategy	Competitive grant availability to be monitored and a strategy for engaging early with major funders developed through a dedicated business development team.
Construction inflation is higher than included in the Full Business Case.	Use of a recognised Construction Industry inflation index in the Business Case. The intended procurement strategy was to use a fixed price contract. However developments in the supply chain, have indicated there would be significant cost inflation for a wide range of raw materials including steel, wood and concrete, fuel. Initial inflation estimates were built into costings and are further compounded by the requirement to pay VAT at 20%. Exceptional inflationary pressures through 2022 can no longer be mitigated by value engineering or scope reductions and can only now be mitigated by reallocation of the equipment budget to the Design and Build process. This has been reflected in our updated project Risk Register. The recent delays caused to the project were necessary to complete the value engineering and scope reduction exercises.



Case Study

The new access road to the north of the site is complete and will be fully used by Hutton to reduce the access to our campus via the Invergowrie Village. This is a very welcome addition to the site for our people, visitors and the villagers.

An aerial image showing the Hutton, Invergowrie campus development after completion in Spring 2024 is below:



Angus Fund	
Programme Owner	Angus Council
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Fund Description

The UK Government will commit up to £26.5million to the Angus Fund. The Angus Fund will help achieve an investment balance across the region by investing in projects across Angus to be developed collaboratively with Angus Council and other local partners as part of the Deal.

The purpose is to increase productivity through clean growth, protecting places for future generations to live, work, and visit. The Angus Fund will contribute to the development and implementation of innovative, clean technologies, which will also significantly reduce the region’s carbon footprint; contributing to national reductions in carbon use.

To deliver this purpose the Fund will support three connected components, namely:

- clean growth;
- low carbon; and
- agricultural technology.

The investment has been provisionally divided between six projects to support these themes, including:

1. Centre for Agricultural Sustainable Innovation
2. Mercury Drone Ports
3. Connecting Montrose
4. Clean Growth Business Park
5. Low Carbon Housing
6. Low Carbon Transport

The Angus Fund will be used to stimulate The Mercury Programme, which is Angus Council's visionary £1 billion partnership programme between government, public, private and community sectors.

Individual project business cases will be developed for each of the projects that comprise the Angus Fund.



Headline Achievements

Since October 2021, the Fund has achieved the following:

- Centre for Sustainable Agricultural Innovation (CASI): CASI will now be delivered as a Programme. The Programme Outline Business Case has been submitted and an updated Programme Outline Business Case is currently being developed. Project Business Cases for the spokes are also being developed.
- Angus Rural Mobility Hub (ARMH): A memorandum of understanding was signed with Dalhousie Estates in January 2022 to deliver ARMH. An Outline Business Case for the project was submitted in July 2022, awaiting feedback for this project to allow Full Business Case to be developed.
- Zero Four Clean Growth Business Park: A memorandum of understanding was signed with Crown Estate Scotland in November 2021 to deliver the Zero Four Clean Growth Business Park. Design team has now been appointed and the project Business Case is being developed.
- Mercury Drone Ports: The Use Case Project to demonstrate the use of drones working with NHS is nearing completion, with trial flights taking place from September 2022. A Business Justification Case was submitted in September 2022, awaiting feedback on this to allow project delivery to commence.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Outline Programme Business Case for Centre for Agricultural Sustainable Innovation (CASI) approved by the Joint Committee	Q4 22/23
Business Justification Case for Mercury Drone Ports approved by the Joint Committee	Q4 22/23
Full Business Case for Angus Rural Mobility Hub approved by Joint Committee	Q4 22/23
CASI Programme: Business Justification Case for CASI HQ approved by Joint Committee	Q2 23/24
CASI Programme: Full Business Case for Crop Quality Centre approved by Joint Committee	Q2 23/24
Fund Benefits Realisation Plan/reporting, including timescales for Projects	Align with PMO Benefits Realisation Plan (2022)

Key Risks

Risk	Mitigation
The selected projects for funding fail to develop a robust business case	Projects will be supported by Angus Council and SE to develop robust business cases.
Projects are unable to achieve match funding	Working to explore external funding options and managing expectations to ensure additional sources of funding are identified and pursued where
Profiled spend not achieved within allocated financial years.	Some spend incurred at risk. Continual engagement with PMO and both governments to progress delivery.
Businesses fail to engage	Regular engagement to ensure projects developed in a transparent and inclusive way.
Brexit impact	All of the projects will be at risk from the Impact of Brexit, these will continue to be identified as the Business Cases develop.

Case Study

The Angus Rural Mobility Hub, situated within a regional business park in Brechin, will provide the infrastructure, services and skills programme needed to enable the Tay Cities region's transition to a low carbon, inclusive economy through a range of smart mobility and energy services.

In January Angus Council and Dalhousie Estates signed a Memorandum of Understanding, entering into an agreement to work together to develop the Clean Growth Business Park, that will integrate zero carbon energy systems with mobility services, enabling a 'smart mobility infrastructure'.

With the Outline Business Case having been submitted work has now begun on the procurement options appraisal and submission for planning permission to deliver the proposed Angus Rural Mobility Hub, focussing on opportunities including an EV charging infrastructure, business space for sustainable growth, distributed energy generation and storage, clean refuelling (biogas and hydrogen), and smart logistics solutions.





cyberQuarter	
Programme Owner	Abertay University
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

cyberQuarter is funded by both the UK and Scottish Government. The Scottish Government have committed up to £6m and the UK Government up to £5.7m.

cyberQuarter is an academic-industrial partnership designed to establish the Tay Cities region as a centre of best practise in applied research and development and knowledge exchange in cybersecurity. It will exploit Abertay University's distinctive ethical hacking and offensive cybersecurity knowledge.'

cyberQuarter will deliver:

- collaborative research and development with the cybersecurity industry to develop solutions that will improve cybersecurity amongst small and medium sized businesses
- develop ethical hacking and offensive security activities to upskill workers and tackle local and national skills shortages
- support businesses to raise awareness of cybersecurity risks and increase the adoption of new products and services to become more cyber resilient; and
- deliver jobs growth in cybersecurity firms, from start-ups to large corporations, as new products and services are developed and commercialised.

Headline Achievements

Since October 2021, the Project has achieved the following:

- Completed the refurbishment of Abertay University's Annie Lamont Building, delivering the high quality physical infrastructure required. The Abertay cyberQuarter officially launched in June 2022.
- Appointed the first Director of the Abertay cyberQuarter, Professor Lynne Coventry.
- Grown the subscriber base for the facility, attracting organisations from public, private and third sectors to work on shared challenges and opportunities.
- Partnered with CodeBase to bring Dundee's Tech Scaler to the Abertay cyberQuarter as part of the Scottish Technology Ecosystem Review response.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
CyberQuarter occupied	October 2022 onwards
Outreach activities with schools, FE, HE and other partners	October 2022 onwards
TechScaler implementation (in partnership with CodeBase)	November 2022 onwards
Delivery of credit-bearing short courses, designed to upskill organisations and individuals in digital business and cybersecurity	November 2022 onwards

Key Risks

Risk	Mitigation
The cybersecurity industry does not grow as expected, domestically or globally.	<p>The Project have developed a Business Development Plan for the Abertay cyberQuarter. There is currently a full time Business Development Manager who spends 100% of their time on the project, thanks to funding from Scottish Government and Scottish Enterprise.</p> <p>The growth of the cyber security sector continues to be one of the UK's tech success stories. The Cyber Security Sectoral Analysis 2022 conducted by the Department for Digital, Culture, Media & Sport showed that UK revenue for the sector has grown to more than £10 billion for the first time, and the sector has added over 6,000 jobs. 2021 was also a record year for external investment into the sector – with over £1 billion raised by firms across the UK.</p> <p>In the wider tech sector, equity investment is leading to large scale job creation. In 2021, 17.5% of total equity investment announced by high-growth UK tech companies was intended for hiring or job creation – accounting for £3.4b of the total £19.7b secured in 2021. Early indications for the first half of 2022 shows that 33.5% of equity investment was intended for hiring or job creation. Source: Beauhurst.</p>
Cluster companies find it difficult to attract staff	<p>Work with the partners in the TCD Employability & Skills Programme as it develops in order to jointly develop education and training to tackle identified skill gaps.</p> <p>Increasing provision of cyber security courses in the region – HNC and HND in Cybersecurity available at FE colleges and National Progression Awards at SCQF level 4, 5 and 6 are available in some secondary schools.</p> <p>Abertay University has added a BSc (Hons) degree in Cyber Security in addition to its existing BSc (Hons) in Ethical Hacking from September 2021. The University now offers blended and fully online masters courses.</p>



<p>Covid & Brexit impacts</p>	<p>Opportunity for digital security products and services have grown in importance due COVID-19 and the ‘new normal’ being more technology based. Initial findings from Beauhurst data demonstrates that tech sectors and verticals are the most likely to experience a positive or low negative impact from COVID-19, with almost all companies in the sector being actively tracked by Beauhurst in relation to the impact of COVID on their business reporting a surge in demand and creating job opportunities.</p> <p>Construction was impacted by COVID and Brexit in relation to supply chain issues and cost inflation, but through a process of value engineering, we were able to deliver more floor space, control final costs and complete within the desired timeframe.</p> <p>Development of IT infrastructure have been slightly impacted due to increases in lead times for hardware and equipment, but costs and funding profiles have been managed within each financial year for the project.</p>
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Case Study

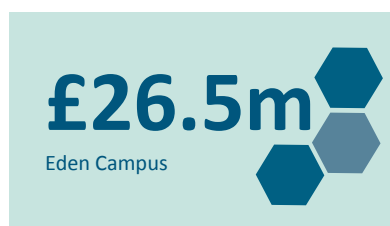
The Abertay cyberQuarter opened in summer 2022 and has already created more than 30 new cybersecurity jobs for the city.

Among these new employees is Cheryl Torano, an Abertay University Ethical Hacking graduate, who is now Business Development Manager for Abertay cyberQuarter.

As a local mother-of-two, Cheryl is passionate about growing Dundee’s cybersecurity cluster and addressing the loss of the Scotland’s graduate cyber talent to other parts of the UK and overseas.

She said: “When I graduated in 2017, finding a cyber job in Dundee or even in Scotland was tough due to the global skills shortage in the sector. Every year we see our excellent graduate talent snapped up by other hubs and part of Abertay cyberQuarter’s mission is to help address that challenge. By harnessing the local talent that we have and blending it with academic and industry expertise, I believe we can create something really special.





Eden Campus	
Programme Owner	University of St Andrews
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

The UK Government will commit up to £24.5 million and the Scottish Government will commit up to £2 million to the development of Eden Campus by the University of St Andrews. This project aims to repurpose a 32.5-acre brownfield site into a Centre of Excellence in Low Carbon and Renewable Energy innovation. It will provide a location for innovators from academia, industry and technology to collaborate and trial new technologies and networks.

Eden Campus will bring industry alongside academic expertise from around the world and is central to the University of St Andrews' strategy to become the UK's first energy carbon neutral university. The campus will contribute to national and international ambitions for carbon reduction, while simultaneously driving employment, training, and apprenticeships in the low carbon sector.

The funding will enable the development of three interconnected components:

- an **Enterprise Hub** to support the start-up and growth of new and emerging companies focused on low carbon innovation. It will incorporate a combined incubator and accelerator facility which will offer companies space and business support services.
- The **GENESIS Centre**, a new research and development facility focused on the storage and conversion of energy. The Centre will provide a space for companies to access academic and industrial expertise, develop and test innovative new approaches to low carbon energy systems, engage with other companies, and build business-to-business collaborations.
- An **upgrade of the power supply** to the Eden Campus (and North East Fife), including a smart energy primary sub-station. This will be capable of importing and exporting power from traditional and renewable sources. It will be an active part of electricity grid management for Fife. It will help demonstrate innovative services and products, enabled by new technology and data to offer efficient, collaborative and inclusive energy solutions, capable of scaling up for national use to meet the drive for low carbon power.



Headline Achievements

Since October 21, the Project has achieved the following:

- 1 MW Solar PV Array formally opened by MSP Kate Forbes on 18th May 22. This is not funded through TCD, but forms part of our leverage and ensures green power security for the Campus and future projects in hydrogen ¹⁴.
- The Entrepreneurship Centre (part of the Enterprise Ecosystem) was formally opened by the University of St Andrews Principal, Professor Dame Sally Mapstone FRSE on 26th September 22. This key talent development centre provides fast track training and mentoring for entrepreneurial students, staff and members of the local community.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Certificate of Completion for the Machine Shed and Dry Lab	December 2022
Tenanted laboratory in Machine Lab leased	January 2023
First business collaborating with academics in the Genesis Dry Lab	February 2023
First 'prototype' made in the Machine Shed prototype workshop.	March 2023

Key Risks

Risk	Mitigation
Covid- 19 impacts to development projects from resource issues of materials and staffing to site closures with construction sector lock downs.	Ensure Eden Campus contingency planning and multi-disciplinary team approach with our contractors will minimise impacts throughout the design & build stages of projects. During construction, specific COVID risk assessments will be in place to ensure appropriate mitigations (where possible) of any COVID lock downs or localised COVID isolations will be identified and implemented.
Brexit impacts negatively on ability to continue to attract the best academics from Europe and secure the best price for materials and services in development of the Campus.	The key risks associated with Brexit were divested amongst topic specific risks on the corporate risk register for the project in order to embed those within the new 'business as usual' reality. This will enable the project to anticipate, plan and mitigate against those risks to the University and Eden Campus in a more agile way. With regard to construction projects the main mitigation is to ensure early engagement with contractors and where lead times of materials are constrained, to place orders as early as possible to secure price and delivery.
The operating model fails in the assumptions made on usage of the building and equipment for tenants, industry and academics.	All strategy and operational models at Eden Campus form part of the responsibility of the Eden Campus Programme Board, which is formed of executive members of the Principal Office, Directors and Senior team from the wider University and external non executives.

¹⁴ <https://www.thenational.scot/news/20148153.st-andrews-university-launches-new-solar-farm/>

Case Study

The University opened its Entrepreneurship Centre at Eden Campus in 2021 (the formal opening took place on 26 September 2022). The Entrepreneurship Centre is part of the enterprise ecosystem being developed with support from Tay Cities Deal. In its first year, the team devised four bespoke 8-week programmes:

- **FastStart Innovators** is our flagship programme designed to take participants through the full entrepreneurial journey from idea creation to prototyping to the final pitch day at the end of the programme.
- **FastStart Changemakers** programme is the ultimate introduction to social entrepreneurship, guiding you through an online programme which will identify social and environmental problems.
- **FastStart Cloud Computing** gives participants an introductory tour of cloud technologies offered by Amazon Web Services (AWS).
- **FastStart Web Development** will teach participants how to code their first 'dynamic' website by using the React.js web framework created by Facebook.



Walter Bower House, Entrepreneurship Centre

Over the course of the first year of operation, the Entrepreneurship Centre received 217 programme applications that translated into 193 programme participants of which 125 graduated the programmes. Funding awards amounting to £11,146 were given to 19 winners to support the development of their business ideas. In addition to the four programmes, over 60 events were held attracted more than 500 people.

The Centre is located in Walter Bower House, Eden Campus and will benefit from direct access to the Machine Shed and Dry Lab situated close by – both opening in November 2022. These buildings provide the practical space for growth and include a prototyping workshop, design studio, co-working areas and space for spin-outs. The Dry Lab will be the first publicly accessible facility of its kind in Scotland and will focus on testing and production of batteries.

A data centre has been created to service the enterprise ecosystem and work on an Enterprise Hub will commence in 2023. This will create space for start-ups and small established businesses in the local community.



Machine Shed and Dry Lab



Stretch Dome Simulator

Programme Owner	University of St Andrews
Enabling the region to...	Innovate and Internationalise
Thematic Board	Innovative, International

Project Description

The UK Government will commit up to £300,000 to a Stretch Dome Simulator to be located within the Eden Campus. The Simulator is an integrated simulated and visualisation suite that can be used to test research and innovation into, for example, climate change, coastal ecology, underwater acoustics, low carbon and new materials. It will give scientists the ability to test theories and generate solutions in rapid time, while also giving them the capability to demonstrate the impact of their work to a wider audience.

Headline Achievements

- Since October 2021, The D'Arcy Thompson Simulator Centre has progressed along the proof of concept journey and has developed marketing and methodology with the following key achievements:
- Simulator fully commissioned and software bugs addressed.
- By October 22 we have 3.6 FTE employed and a number of external companies engaged in developing data and simulation methodology, creating new jobs and supply chain opportunities in a developing data sector.
- Tested the market with the first two contracts successfully designed and delivered for clients:
 - Yorkshire (demonstrating the practicality of innovation design for growing seaweed as a medium for carbon sequestration. This helped support the client in being awarded a £2.5m BEIS grant as a second phase to which we are written in.
 - Fife: supporting Fife Council in its delivery of an Interreg contract through the formation of the Blue Consortium.
- Acceleration of the Project's allocated funding has resulted all funds from the Deal being drawn down ahead of the profile.



Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Further the proof of concept methodology by:	February 2023
<ul style="list-style-type: none"> Explore reach of the simulator by introducing collaborative interaction using Virtual Reality (VR) as a complementary platform, to in-person meeting in the Stretch Dome Simulator. 	March 2023
<ul style="list-style-type: none"> developing the SustainaVerse™ idea into a real business offering. 	March 2023
<ul style="list-style-type: none"> Consolidate methodology of simulation led into foundation for Sustainable, Responsible, Impact+ investment+ (SRII++). 	March 2023
<ul style="list-style-type: none"> Proof of concept complete 	March 2023

Key Risks

Risk	Mitigation
The University of St Andrews is unable to fund the Full-Scale Simulator	Development of a fundraising plan to bid for the investment in medium-sized simulator as a stepping stone towards the Full-Scale Simulator.
Loss of European research partners	Participation in the UN SMART Cities alliance will open up opportunities for further research partners.
The anticipated benefits from the Stretch Dome Simulator don't materialise	Recruitment of right mix of skilled staff to include: technical, research (including data analytics) and development skills as well as marketing and business to work on the Stretch Dome Simulator to fully realise the benefits and help make the case for the full-scale model.

Case Study

Creation of a 'BLUE CONSORTIUM' across the Fife Region and beyond

Fife Regional Council's Employability Team was part of an Interreg RIGHT Project, the goal of which was to deliver the 'right skills' to the 'right people', <https://northsearegion.eu/right/>. Following a long-term initiative around sustainability and the BLUE ECONOMIC ECOSYSTEM, the D'Arcy Thompson Simulator Centre (The D'Arcy) was awarded a short six month contract by competitive tender to help Fife Council deliver a BLUE CONSORTIUM that operated across the 'Quadruple Helix' of community, industry, academia, and government. It did this using its SIMULATION-LED methodology, using the immersive environment created by the stretch dome simulator as a demonstrator, as a place in which minds from all over the North East Atlantic could meet.

Concentrating on the objective of the Right Project as a whole, The D'Arcy homed in on the skills that employers wished to see in their workforce. This was informed by its extensive maritime experience in the maritime, offshore and defence sectors. It also fitted well with The D'Arcy's in-house Nautilus Programme. This Integrated workstream focuses on the needs of young people in two age groups: 12-17 and 18-24 (both



of which had been negatively impacted in many ways by the Covid pandemic), to give them confidence in collecting, analysing and employing data collected from simple, self-built sensors; combining this with Copernicus satellite data; and sharing and making Sustainable, Responsible, Impact+ decisions using multiple platforms, including projection and Virtual Reality (VR).

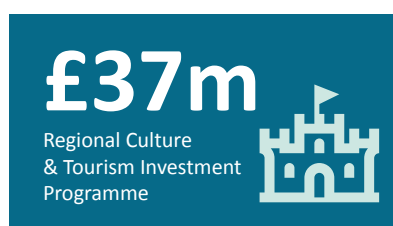
The outcome has been the Lochore Initiative to set up a Nautilus node in the central belt of Fife, amongst still struggling ex-coal mining communities, that will attract local, regional and international schools through links made in the Interreg programme and other ongoing work at The D'Arcy, as part of its SustainaVerse™ programme.

This shows Tay Cities Deal investment in an innovative and positive light across the globe and will shortly be complemented by a GREEN CONSORTIUM, in order to consider the land and sea together.

Culture & Tourism

Within the Culture & Tourism theme there is 1 Programme, the Regional Culture and Tourism Investment Programme, and 4 Projects; Perth Cultural Transformation, Innerpeffray Library, Crieff International Highland Centre and Aero Space Kinross.

Within the Regional Culture and Tourism Investment Programme, there are currently 2 projects which have received Full Business Case approval; Hospitalfield and Discovery Point Transformed. The Perth Cultural Transformation Project has also received Full Business Case approval.



Regional Culture & Tourism Investment Programme	
Programme Owner	Angus & Dundee City Councils
Enabling the region to...	Innovate and Internationalise
Thematic Board	Culture & Tourism

Programme Description

The Scottish Government will commit up to £37m to the creation of a Culture and Tourism programme that will invest in key economic assets in the sector. This is compiled of a £27m investment in a Regional Culture & Tourism Investment Programme and a £10m investment in a named project; Pitlochry Festival Theatre.

The overarching objective of the Programme is to contribute to a wider Tay Cities ambition to be a highly desirable place to live, work, visit and invest in. It aims to do this by building on and strengthening the region's existing culture and tourism offering, to deliver a world class region with world class culture and visitor experiences.

The Programme will be managed and delivered collaboratively by a partnership between the four Tay Cities local authorities, Scottish Enterprise, Creative Scotland, Historic Environment Scotland, and VisitScotland, with the support of the Scottish and UK Governments.

Within the £27m Regional Culture & Tourism Investment Programme, 2 projects have been identified for delivery. These are Hospitalfield and Discovery Point Transformed, which have received Full Business Case approval and are in delivery. There is a commitment to review the regional Culture & Tourism Investment Programme annually to allow identification and development of the next tranche of projects.

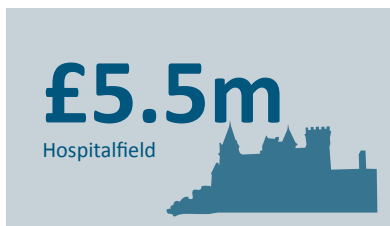
Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Completion of Phase 1 of first tranche of Projects	2022/23
Review and refresh of Programme to allow identification of second tranche of projects.	2022/23

Key Risks

Risk	Mitigation
Construction inflation is higher than included in the Full Business Case.	Use of a recognised Construction Industry inflation index in the Business Case. Procurement Strategy to use fixed price contract, where appropriate although this may be difficult in the current economic climate. Projects continue to look at options to manage inflationary costs and, where possible, external funding.
Projects no longer sustainable due to the impact of Covid-19 and inflation on the tourism sector.	All projects are required to set out in their business cases how they are tackling the impact of Covid 19/inflation. The programme will be under continual review.
Oversubscription of the Programme	The Programme is £10m oversubscribed. Projects have been advised of this and overall allocations will be reduced through annual review of the Programme.



Hospitalfield	
Programme Owner	Hospitalfield
Enabling the region to...	Innovate and Internationalise
Thematic Board	Culture & Tourism

Project Description

Hospitalfield was awarded an investment of up to £5.5m to support a visionary redevelopment plan for Hospitalfield House as part of the Regional Culture & Tourism Investment Programme. It aims to see Hospitalfield fully restored and accessible to the public. The Trust plans to restore and add to the residential, studio and visitor facilities at Hospitalfield to create a world-class cultural facility that is financially sustainable, and able to make a significant and long-term impact on the local, regional and national economies.

The five year capital investment programme will be delivered in the following phases:

- **Phase 1**
 - o Garden, Fernery and Café
 - o Historic Artist Studios, new studio all historic outbuildings
 - o Guest house and cottage
- **Phase 2** – Mortuary Chapel
- **Phase 3** – The House & Visitor Experience and the Collections

Headline Achievements

Since October 2021, the project has achieved the following:

- The café and garden has opened to the public and welcomed over 12,000 visitors to March 2022.
- The Historic Artist Studio has been put out to tender in order to commence construction in November 2022.
- Hospitalfield has raised funding from Historic Environment Scotland to move forward with Mortuary Chapel. With funding from NLHF, the Trust has also been able to move forward to detail design stage.
- The Project has invested in the design phase for the chapel and in the first stage of a new artist's commission for the chapel from artist Cerith Wyn Evans. This builds the value in relation to creating in the Tay Region, an increasingly interesting, internationally significant visitor attraction through the heritage asset and through contemporary art and culture.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.



Milestone	Due Date
Complete fundraising for guest house and cottage	2022/23
On site construction for the Artist Studios	2022/23
Commence Chapel redevelopment	2022/23
Complete the detailed design and planning permission for the House & Visitor Experience and the Collections	2023/24

Key Risks

Risk	Mitigation
The Trust is unable to raise the required funding for the guest house and cottage	This is a very high risk concern for the Trust. This aspect of the development includes the income generating aspects of the project which are so key to meeting both the Trust's business plan and the employment and other secondary economic targets. The Trust are working hard to raise this funding through discussion with the Angus Council and with Scottish Government.
Artist studio costs more than we had budgeted	Contingencies at a high rate are included within the cost plan and the Trust has reached a fixed cost agreement with the contractor to reduce the risk.
The impact of inflation on the next phases for the mortuary chapel and house make the fundraising target challenging	The Trust are working to put plans in place that will see a new fundraising strategy in place by January 2023. The Trust are talking to Angus Council about getting ready for a potential Levelling up bid should another deadline be set as well as working with Angus Council on a Regeneration Capital Grant application.

Case Study

In this last year the Project has focused on developing the welcome experience at Hospitalfield through what has become the main entrance, the walled garden. To support this, two new part time and seasonal staff have been appointed to welcome people and to host them as they come in to the garden.

Offering the right level of hospitality through the appointment of these two has been a very important approach to define and get right.

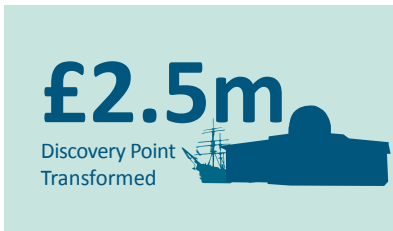
To enhance the welcome experience, the newly employed staff assist with ticket management,



tour arrivals and café visitors. The role is extended to giving feedback and information on the history and heritage of the site, as well as information on the public events programme. This is important as it allows them to have a high level of involvement in the public facing aspects of Hospitalfield, including knowledge of the artists participating in the residency programmes.

Hospitalfield has received positive feedback on the roles that have been created. Through this initiative, it has given the attraction a better understanding of where the audiences come from, how they travel and what they like and would return for. The ‘hosts’ or ‘greeters’ are a great asset to the organisation and continue to provide feedback on improvements to be made to Hospitalfield.





Discovery Point Transformed

Programme Owner	Dundee Heritage Trust
Enabling the region to...	Innovate and Internationalise
Thematic Board	Culture & Tourism

Project Description

The Partnership has committed up to £2.5m for Discovery Point Transformed, as part of the Regional Culture & Tourism Investment Programme. The Project will create four major attractions, delivering a major upgrade of the museum, as well as protecting and restoring the unique heritage of the RRS Discovery, enhancing overall visitor facilities and opening up new opportunities for community engagement and learning.

The five key components of the project are:

- **Climate Change Gallery:** A new visitor attraction, highlighting the international significance of the RRS Discovery and its expeditions, and the connections to the major global issues of climate change and the ocean environment.
- **The Dundee Dome Experience:** Public access will be available for the first time to the top of the Discovery Point Dome offering 360° panoramic views of the city, waterfront and River Tay.
- **Protection of our core heritage asset, the historic RRS Discovery:** Essential conservation work will be carried out throughout the ship, with new public spaces being opened up and additional interpretation installed to complement the developments within the Discovery Point museum.
- **A new gallery for temporary and special exhibitions:** This will allow Discovery Point to host a greater range of temporary exhibitions, either developed in-house or touring exhibitions and the potential to host larger scale 'blockbusters' exhibitions.
- **A new permanent gallery and the refurbishment of existing galleries.**

The project will be delivered in two distinct phases:

- **Phase 1:** Enabling works to create the Dundee Dome Experience and the enabling floor infills for the climate change gallery. This is now complete
- **Phase 2:** Installation of the climate change gallery, the building of the waterfront events space/café/restaurant, further gallery/conference space developments, conservation works to RRS Discovery and the environmental works to the Discovery Point building, planned for 2025/26.



Headline Achievements

Since October 2021, the project has achieved the following:

- Phase 1 of the Project to enabling works to create the Dundee Dome Experience and the enabling floor infills for the climate change gallery has now been complete. The Dundee Dome Experience enables public access for the first time to the top of the Discovery Point Dome offering 360° panoramic views of the city, waterfront and River Tay. Since opening, the Dome has attracted over 2000 visitors.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Phase 1 – Enabling Works – design, procurement, construction	Opening September 2022

Key Risks

Risk	Mitigation
Unproven technology may not work	No new technology has been used. The project pivoted during the pandemic from an immersive AR immersive experience to a timed film show due to concerns re COVID/customers sharing headsets. The pivot followed international advice coordinated on our behalf by Abertay university. It has been successful and well received.
Project cost overruns and inflation	Phase 1 is fully delivered. However there are construction inflation pressures. DHT are having positive conversations with other major funders.
Covid impacts leading to an ongoing reduction in visitor numbers, particularly from overseas	Visitor numbers ahead of the Dome opening were still running at c 70% of 19/20 numbers – this is a trend seen nationally though Dundee’s comparator figures are trailing the Scotland wide statistic. The new offers that will be delivered through Discovery Point Transformed will make this tourist attraction more attractive to visitors and hopefully help build back to 19/20 comparators. Market changes have been experienced, with a trend to more hybrid conferences and events business and with a tightening on consumer spending leading to a less buoyant outlook for C&E and restaurant businesses.



Case Study

A project which had been 30 years as a pipe dream – the delivery of the Discovery Dome 30 years after RRS Discovery made her home at Discovery Point – is a case study in local partnership working at it's very best.

The whole professional team came from Dundee – lead by local architects, AIM Design and realised by respected local main contractors Caledonian and Oastlers.

Both the city's Universities were involved in shaping the offer – both the technological solutions used and the heritage content. The experience had to be changed to accommodate COVID but the resulting solution is world class. It features artwork by world renowned international environmental artist Luke Jerram – one of 6 limited editions of his famous artwork, Gaia, that featured as the backdrop to all the BBC coverage of COP 26. The star of the show though is the film of the 1901 view of Dundee – showing the city as it was in 1901 when RRS Discovery was built in Dundee. It shows its jute chimneys and overcrowding juxtaposed against the starkly different contemporary view revealed to the viewer at the end.

The work to ensure the historical accuracy and authenticity of the 1901 film was led by the curatorial team at Dundee Heritage Trust. The work was informed by detailed dialogue with the city archivist, the former city archivist, curatorial colleagues from Culture and Leisure Dundee, Abertay Historical Society, the Civic Trust and Heritage Environment Scotland. The team set themselves the ambition of delivering a world-class offer and the feedback from customers suggests that brief has been achieved. The team were even able to secure the priceless pro bono contribution from world famous Scottish actor Alan Cumming whose distinctive voice is the soundtrack to the 1901 animation. Customers report finding the animation and its contrast to the modern cityscape extremely moving and it is proving a wonderful mechanism for audience engagement across the generations – with grandparents bringing grandchildren and reminiscing about much loved local landmarks long gone and their experiences on trams and passenger ferries.





Perth Museum	
Programme Owner	Perth and Kinross Council
Enabling the region to...	Innovate and Internationalise
Thematic Board	Culture & Tourism

Project Description

The UK Government will commit up to £10m, the investment will bring Perth City Hall (now renamed as Perth Museum), a Grade B listed building in the original medieval heart of the city, back to life. It will repurpose a deteriorating heritage asset, currently on the Buildings at Risk Register, into a new museum attraction of international significance.

The Museum will showcase Perth's ancient roots through museum collections which have National Recognition Status. Perth Museum will become a major cultural venue; a significant addition to the world class offer of the Tay Cities region and a source of civic and community pride, as it was when first built over a hundred years ago. It will also tell the story of the Stone of Destiny, quarried in Perthshire and used to crown every Scottish monarch at Moot Hill in Scone, just outside Perth.

Headline Achievements

Since October 2021, the project has achieved the following:

- Commissioned six different artists to create banners for the Pivot Gallery, a community led exhibition space in Perth Museum.
- Recruitment of new jobs for the new museum commenced summer 2022, 1FTE General Manager now in post.
- The name Perth Museum was approved in September 2022.
- Acceleration of the Project's allocated funding has resulted all funds from the Deal being drawn down ahead of the profile.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Construction completion	Q1 2023
Specialist fit out of the Perth Museum	Q2 2023
Client moved into the Perth Museum	Q2 2023 – Q4 2023



Key Risks

Risk	Mitigation
Additional costs arise during the construction phase	Appropriate contingency available. All designs, equipment and specification to be agreed by the client and end user prior to contract agreement. Effective change control process in place.
Archaeological remains or items of interest discovered during construction phase.	Review of current archaeological record and early engagement of archaeologist. Archaeologists appointed for watching brief over site surveys and main works
Covid 19 & Brexit impacts/ War in Ukraine	Impacts of Brexit and Covid 19 may affect how the new attraction is to be constructed, including in a timely manner, and operated. The impacts will be reviewed by independent consultants to prepare the Perth Museum project to adapt to new requirements for cultural venue opening.

Case Study

In June 2022 Perth and Kinross Council announced a new artistic commission and community engagement opportunity. The commission is an exciting opportunity to create work that tells a vital part of the story of Perth and Scotland, to be placed in the new museum. The commission is for six large art installations that tell six individual stories from the period of the Jacobite's through to the Clearances. This is a semipermanent installation, expected to be in place for five to ten years.

There is a requirement for the artist to work with local community groups to develop the artwork via workshops. The workshops will take place until June 2023 and will be a minimum of five hours of community engagement for each commission.

The key objectives are:

- To engage local communities in these stories via the co-creation process and build sense of pride/ attachment to place
- To support wider visitor targets for Perth Museum which is intended to generate 167,000 additional visits to Perth by Year 3
- Create opportunities for contemporary artists to develop significant new work
- Contribute to the emergence of Perth and the wider region as an attractive and creative place for people to visit, live and work in.

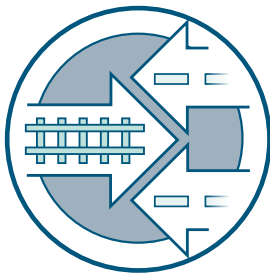
The role of the commissioned artist(s) will be to:

- Design and create the piece of work(s)
- Lead the Community Engagement process including knowledge exchange and
- Read, understand and engage with the story associated with the work they are producing
- Artist must have public liability insurance to the value of £5 Million
- Work with the installation team where required.
- Be available for press and promotional activity wherever possible
- Complete the work as per the timeline below – by end of 2023, including community engagement.

Currently five artists have been commissioned to create individual banners for the gallery, with one more to be selected.



A Connected Tay



Transport

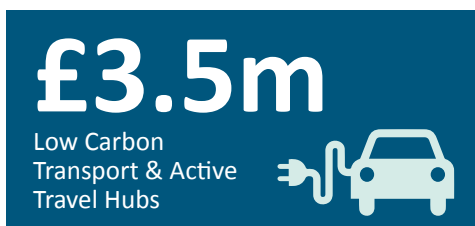
Within the Transport theme, at Deal Signing there were 3 projects named; Low Carbon Transport & Active Travel Hubs, Dundee Airport Investment and Perth Bus & Rail Interchange.



In November 2021, the Low Carbon & Active Travel Hubs project changed to become a Programme, with 3 Projects within it – Broxden Low Carbon Transport Hub, Perth Active Travel Hub and Hydrogen Refuelling Station

The Dundee Airport Investment Project has received Business Justification Case approval

for revenue expenditure. Low Carbon Transport & Active Travel Hubs Programme and Broxden Low Carbon Transport Hub have also received full business case approval.



Low Carbon Transport & Active Travel Hubs Programme	
Programme Owner	Perth & Kinross Council
Enabling the region to...	Connect
Thematic Board	Transport

Project Description

The Scottish Government will commit up to £3.5 million to support three complementary transport developments. These innovative, low carbon technologies aim to improve the range of available sustainable travel and to improve workforce mobility, social inclusion and environmental impact.

In Phase 1, a Low Carbon Transport Hub will be built near Perth on the motorway network and will bring together solar energy generation and battery storage to provide sustainable electric vehicle (EV) charging. This will reduce barriers to EV ownership and encourage people to leave cars at the edge of the city and travel to the centre by public transport or cycling. The use of solar generation and battery storage will reduce the burden on the national grid. The Hub will include 36 Solar Car ports where a car can be charged using stored solar electricity. Charging can be fast (while you wait) or slow – designed to allow the driver to leave their car and cycle or take public transport into the city centre. Transport information mobile web application and secure storage for private bikes will support this.

In Phase 2, Active Travel facilities and services will be developed and will support the sustainable travel hierarchy and create an active travel hub and network of low carbon and shared and active travel facilities across Perth, including bike hire and secure bike storage and charging for E-bikes. This will be supported by a transport information mobile web app, to help cyclists and pedestrians plan and manage their sustainable journeys; cycle way improvements; and the creation of a car club. With the aim of providing credible alternatives to using private cars and for non-car owners by developing and deploying active travel facilities,

services and infrastructure in and around Perth. The project will promote and support the development of a sustainable, inclusive and accessible transport system in Perth which promotes prosperity, health and fairness for all citizens. Local consultations and a programme to promote behaviour change will complement the built active travel infrastructure.

In Phase 3, Perth Hydrogen: the future development of a hydrogen fuelling station on the motorway network near Broxden in Perth.

Headline Achievements

Since October 2021, the Programme has achieved the following:

- The Outline Business Case for the Programme approved by the Tay Cities Region Joint Committee on 1st July 2022.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Phase 2 – Perth – Active Travel Hubs	
Feasibility Study – best location of active travel hub(s) and best methods for maximising usage and benefits	February – June 2023
Development of OBC / FBC	January – July 2023
Phase 3 – Perth Hydrogen Development	
Confirmation of HRS site (Tibbermore Junction)	June/July 23

Key Risks


Risk	Mitigation
Insufficient governance, unable to fully resource Project.	Mitigation (Phase 1 – Broxden-LCTH) - PKC has recruited external consultancy (Urban Foresight) to develop tenders for this project, that are well defined and technically robust. Project & Cost management consultancy has been commissioned (IBI Group) to oversee the delivery of this project within a defined timescale and within a defined budget. PKC has also appointed an internal contract manager to liaise with the external Project and Cost Management to ensure effective delivery of this project.



<p>The quality of the infrastructure does not meet the Project's outcomes.</p>	<p>Phase 1 - Careful review of what technology is available on the market and precise specification in the procurement documentation. By providing outcome-focused requirements suppliers will be more innovative, but there are minimum requirements that must be met. All low carbon infrastructure installed will be evaluated by Tactran to ensure impartial assessment of quality and operational effectiveness.</p>
<p>Time - not enough time to implement the project within the time constraints of the ERDF funding.</p>	<p>PKC is working hard to deliver the programme within the European Regional Development Funding time constraints and potential impacts to that delivery will be closely monitored. The potential to extend the ERDF timeline has been discussed with EST (admin of the ERDF funds) who did not see an issue with extending the ERDF timeline for the project. A change request has been submitted to EST to extend the ERDF timeline to 30th Sept 2023 to accommodate the delay in the associated SSE works.</p>

£365k

Low Carbon Transport & Active Travel Hubs



Low Carbon Transport Hub: Broxden Low Carbon Transport Hub	
Programme Owner	Perth & Kinross Council
Enabling the region to...	Connect
Thematic Board	Transport

Project Description

The Broxden Low Carbon Transport Hub project aims to tackle one of the largest decarbonisation problems – the transition of fossil fuelled transport to zero emission transport. The aim is to help decarbonise road transport by providing expanded electric vehicle re-charging facilities at the Broxden Park & Ride site, which serves both Perth city and the Scottish motorway network and motorway interchange at the M90/A9. The Project has been awarded up to £635k as part of the wider Low Carbon Transport & Active Travel Hubs Programme.

The project will create an innovative Low Carbon Transport Hub at a key strategic site, Broxden Park and Ride, on the western edge of Perth city. At this site, a range of refueling charging speed options for Electric Vehicles (EVs) will be provided to accommodate the different usage patterns of EV users, including the first Disabled access EV charger in the area.

With the existing EV chargers at the site and the proposed expansion of EV charging stations in this project, there would be 41 EV charging spaces available at Broxden. This development of low carbon infrastructure would help confirm Broxden as a significant EV charging hub on this central node of the Scottish motorway network, close to the motorway interchange between the M90 and A9.

The increasing demand for EV charging puts an increasing demand on the electricity supply network (grid) of the region/country. To meet Scottish Government's announcement of phasing out the need for new petrol and diesel cars and vans in the UK to 2030, it will be necessary to dramatically increase the up-take of low emission vehicles (Battery Electric Vehicles and Fuel Cell Electric Vehicles) over the next few years. The cost of the electric grid re-enforcement work required to support a largely electric transportation

system is in the hundreds of millions for Scotland alone. To help tackle this issue and align with Tactran's Regional EV Strategy aim of supporting EV charging from a resilient and decarbonised energy network, we plan to develop an innovative solution. A combination of on-site renewable energy generation from solar carport canopies and a battery storage unit will be deployed to sustainably support the EV charging systems at the site.

Headline Achievements

Since October 2021, the Programme has achieved the following:

- External Project and Cost Management consultants (IBI Group) engaged to oversee the project delivery.
- Main project contractor tender developed and published. The main contractor (Emtec Energy) was then procured in December 2021.
- The Full Business Case for the Project approved by the Tay Cities Region Joint Committee on 1st July 2022.
- Planning consents achieved in July 2022.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Main Contract Installations – EV Chargers, Battery System (Including Smart Energy Management platform), solar canopies, Bike shelter and E-Bike charger and Civil works	Solar Canopy, Battery Energy Storage System, smart energy management platform, EV chargers, Bike shelter and e-bike chargers to be installed from Oct 2022 to Feb 2023
Broxden – Low Carbon Transport Hub system operational	April/May 2023
Transport Information Display system	Requirements discussed with PKC Public Transport team – specification agreed, system to be ordered
Broxden Virtual Low Carbon Transport Hub website	Internal development by PKC IT – has started – expected delivery and Live system by March 2023.



Key Risks

Risk	Mitigation
Insufficient governance, unable to fully resource Project.	Mitigation (Phase 1 – Broxden-LCTH) - PKC has recruited external consultancy (Urban Foresight) to develop tenders for this project, that are well defined and technically robust. Project & Cost management consultancy has been commissioned (IBI Group) to oversee the delivery of this project within a defined timescale and within a defined budget. PKC has also appointed an internal contract manager to liaise with the external Project and Cost Management to ensure effective delivery of this project.
The quality of the infrastructure does not meet the Project's outcomes.	Phase 1 - Careful review of what technology is available on the market and precise specification in the procurement documentation. By providing outcome-focused requirements suppliers will be more innovative, but there are minimum requirements that must be met. All low carbon infrastructure installed will be evaluated by Tactran to ensure impartial assessment of quality and operational effectiveness.
Time - not enough time to implement the project within the time constraints of the ERDF funding.	PKC is working hard to deliver the project within the European Regional Development Funding time constraints and potential impacts to that delivery will be closely monitored. The potential to extend the ERDF timeline has been discussed with EST (admin of the ERDF funds) who did not see an issue with extending the ERDF timeline for the project. A change request has been submitted to EST to extend the ERDF timeline to 30th Sept 2023 to accommodate the delay in the associated SSE works.
Costs - due to the emerging nature of the technology and disruption to global supply chains, the final cost of the infrastructure is higher than originally forecast.	Phase 1 - An extensive market sounding exercise has been undertaken to provide market cost information and give early warning of the various tenders and proposed operating models for each element of infrastructure to ensure optimal outcomes for the project. Global supply issues and inflation is being carefully monitored in relation to potential extra costs. External Cost Management has been recruited to ensure project delivery within a specified budget.

£8.9m Capital
£600k Revenue
Dundee Airport



Dundee Airport Investment

Programme Owner	Dundee City Council
Enabling the region to...	Connect
Thematic Board	Transport

Project Description

The Scottish Government will commit up to £9.5 million to the development of Dundee Airport, which is licensed for scheduled, private and charter operators. This investment will support the development of new route opportunities, enhancing links with other UK airports and potentially European hubs. These links will ensure the Airport can contribute effectively to the region's wider connectivity requirements, a key enabler of sustainable economic growth.

The Deal will also support further capital investment in the Airport, potentially including air traffic management infrastructure as well as modifications to the terminal building and airfield.

To date, the revenue element of the project has been approved to secure the Public Service Obligation which will deliver a new route from Dundee Airport to London City.



Headline Achievements

Since October 2021, the project has achieved the following:

- Dundee to London City during financial years 2020/21 and 2021/22 has seen an uptake in business post Covid, compared to pre Covid when the route was between Dundee and London Stansted.

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022 and relate to the project as a whole, capturing both revenue and capital activity.

Milestone	Due Date
Evidence of passenger growth to support Development of Full Business Case	As part of Programme OBC submission (see below)
Programme (phase 1 & 2) Outline Business Case approval	First iteration target submission 2023/24, with further iterations following Government feedback

Key Risks

Risk	Mitigation
Failure to attract new routes.	Early and sustained engagement with potential route operators.
Passenger numbers fail to grow	Given the issues of Covid-19 there is a risk that the growth in passenger numbers is not achieved in the first 2 years. Continued monitoring of passenger numbers, support for route marketing and a potential extension to the Public Service Obligation will be considered.
Covid-19 impacts	The impact of Covid-19 on the aviation sector has been significant. The extent to which passenger numbers recover is uncertain. Engagement with airlines and Government to better understand issue and enable response, including route marketing and engagement with business.
Net zero commitments	Engage with airlines to support the early adoption of measures that decarbonise aviation.

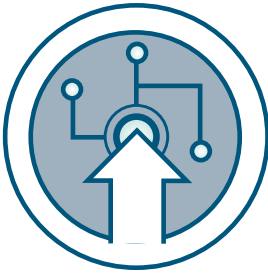
Case Study

Funding from the Tay Cities Deal was used to support the Public Service Obligation (PSO) route from Dundee to London City during financial years 2020/21 and 2021/22. The route has seen an uptake in business post Covid, compared to pre Covid when the route was between Dundee and London Stansted.

- Passengers using the Dundee to London City route increased by 21% when comparing the period October 2021 to October 2022 with the period October 2018 to October 2019, despite flights being affected by Covid in late summer 2021 and early spring 2022.
- Passenger numbers are projected to increase by a further 30% when comparing October 2022 to October 2023 with the period October 2021 to October 2022.

Loganair has launched several new routes as a result of the success of the route Dundee to London City. This includes flights to Belfast International Airport and Shetland. Most recently, they have launched a new route between London-Dundee-Orkney which is now on sale, with flights due to start in April 2023.

This growth and development would not have happened without the support received from the Tay Cities Deal.



Digital

Within the Digital theme there are 2 Projects; Rural Angus and Rural Perth and Kinross Highspeed Broadband and 5G Digital Testbeds.

Both Projects have now received Business Case approval.

£4m
Digital Connectivity projects.

£2m
Rural Angus and Rural Perth & Kinross High Speed Broadband

Rural Angus & Rural Perth and Kinross High Speed Broadband	
Programme Owner	Angus Council & Perth and Kinross Council
Enabling the region to...	Connect
Thematic Board	Digital

Project Description

The UK Government will commit up to £2 million to developing Rural Angus and Rural Perth and Kinross High Speed Broadband. These projects will enhance digital connectivity in rural areas across the region, and will be enhanced by match funding from the UK Government Local Full Fibre Network programme.

Up to £1 million is committed to the Rural Angus project, which will focus on creating a solution to provide remote and rural properties with full fibre and high-quality wireless connectivity.

Up to £1 million is committed to the Rural Perth and Kinross project, which will – in Perth - re-use and extend existing fibre broadband between Perth city centre and a new residential development to the west of Perth. Remaining funding will connect over one hundred rural sites, including rural schools, libraries and museums to gigabit capable connectivity.

Headline Achievements

Since October 2021, the project has achieved the following:

- Provided full fibre gigabit capable connections to 34 premises in Perth.
- Full fibre gigabit capable connections to an additional 154 premises across Angus and Perth & Kinross.
- Connecting 26 premises to rural wireless broadband in Angus.

Key Milestones & Progress

The Project was completed in September 2022 and there are therefore no milestones to report.



Case Study

As part of this project, Angus Council and SmartRural (part of Scottish Agricultural Organisation Society) had similar ambitions to cover large areas of Angus with Internet of Things coverage for the farming community. Both parties agreed to use the same infrastructure to deliver their services. The pilot area to be covered was the area covered by the Angus Fund Mercury Programme, the area between Arbroath, Brechin, and Montrose, involving 18 farms.



Area covered by Angus Rural Wireless Project



Example of wireless infrastructure installed on farm buildings

Angus Council have now created a core wireless network linking all the farms together with connectivity speeds of 1Gbps to 10Gbps. With this core wireless infrastructure installed Wireless Internet Service Providers can connect premises to this core infrastructure to backhaul the connection to the internet. The core infrastructure negates the need for the Wireless Internet Service Providers to create their own infrastructure thereby reducing the cost to expand their networks.

Angus Council own the core wireless network thereby allowing the network to be open access and made available to all interested parties to use to increase internet connectivity.

The premises/businesses are now able to get internet connectivity with speeds ranging from 30Mbps to 1Gbps depending on the package they sign up to with the Wireless Internet Service Provider.

By working together Angus Council, SmartRural and Rapier Systems Limited have been able to create an innovative solution to allow rural premises/businesses the access to Superfast Internet connectivity that is comparable with premises/businesses that are in Towns/Cities.

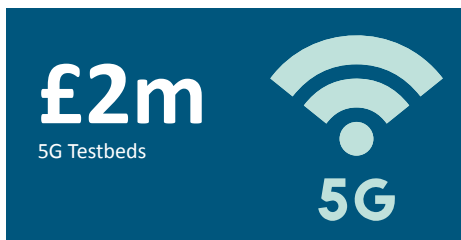
Being located in a rural location is no longer a limitation to Superfast internet connectivity and can help rural businesses grow, quality of life improved and education and skills developed in isolated communities.

By working together Angus Council, SmartRural and Rapier Systems Limited have been able to create an innovative solution to allow rural premises/businesses the access to Superfast Internet connectivity that is comparable with premises/businesses that are in Towns/Cities.

Being located in a rural location is no longer a limitation to Superfast internet connectivity and can help rural businesses grow, quality of life improved and education and skills developed in isolated communities.



Angus Council / SmartRural / Rapier Systems Limited at farm site where infrastructure is being installed



5G Digital Testbeds	
Programme Owner	Dundee city Council
Enabling the region to...	Connect
Thematic Board	Digital

Project Description

The Scottish Government will commit up £2 million to support 5G testbeds and trials in the Tay Cities region, helping to put it at the forefront of full fibre and 5G deployment to drive economic development. The testbeds are the infrastructure (data centre, fibre and transmitters) needed for 5G. Case studies will explore the use of the testbeds for applications as varied as transport information mobile gaming or measuring civic space usage.

The funding will be used to work with local communities, academic institutions and businesses to develop and demonstrate 5G test cases. This work will develop the practical use of 5G and demonstrate the innovation possible, its potential markets and the appeal of these innovations to regional communities and stakeholders. The test cases will be focussed initially on Dundee waterfront but also explore how to use the digital connectivity improvements in rural Angus and Perth and Kinross to roll out 5G case studies there.



Since the business case was approved, the Project has submitted a change request for alternative use case trials to be explored that respond to the execution of smart ports/smart sites and agritech/smart mobility. Pathfinder use case trials were originally selected to address key strategic sectors relevant to the Tay Cities Region and developed based on opportunities when the business case was drafted. The Project have sought to update the use case trials so that they align with the same areas and deliver the same agreed outputs. This change request was agreed by the Partnership and Governments in August 2022.

Headline Achievements

Since October 2021, the project has achieved the following:

- Delivery of a Pathfinder use case trial to demonstrate a live esports event over 4 days in November 2021
- The Business Justification Case for the 5G Digital Testbeds Project was approved by Joint Committee in December 2021
- Development and approval of a further three Pathfinder use case trials
- Development of a challenge fund and appointment of project management services to support delivery

Key Milestones & Progress

In order to achieve the aims for the project, the next milestones to support its delivery and their status are set out below. The milestones are reflected in the Tay Cities Region Deal Implementation Plan annual review completed in June 2022.

Milestone	Due Date
Delivery of Tay5G year 2 Pathfinder use case trials (3)	March 2023

Key Risks

Risk	Mitigation
Delivery will be impacted by poor project management and delivery	Ensure strong project management by Dundee City Council. Extensive research done on project management and the UK and EU 5G use case trial programmes and this is informing the person specification along with discussion with the Scotland 5G centre.
Lack of availability of employees or professional/ technical skills or loss of these.	Early identification of skills needed and potential sources/cost.
Global shortage of semiconductors and devices that work on 5G networks: Disruption to the supply chain due to the global pandemic cannot be overstated and potentially impacts delivery and success of the project as the shortage is likely to endure for the next 18 months to 2 years.	Maintain research on device availability and consult with expertise including technical project management.

Case Study

A free access pop-up eSports tournament was delivered utilising 5G connectivity over four days at the DCA in Dundee featuring popular video/eSports games League of Legends, Rocket League and Valorant. Tay5G Esports aimed to test 5G capability across advanced, enhanced streaming and ultra-reliable, low latency in a live, competitive esports tournament. Building on Dundee's games and digital heritage, through this it was possible to initiate the delivery of processes and services with the potential for commercialisation, scaling and transfer. The trial proved that with the low latency (low delay) offered by 5G, eSports can be effectively delivered using 5G, reduce reliance on fixed networks at venues, enhance the experience for participants and allow delivery more cost-effectively and at more locations to support increased engagement.

The esports use case trial (UCT) commenced work in December 2020 and saw delivery of an esports UCT live event in November 2021.

The overall UCT delivered against objectives across 5G technology and Inclusive Growth. The outcomes were:

- Better understanding on 5G technology enhancing the eSports gamer's experience with previous eSports Scotland (ESS) events providing a baseline.
- Designed, tested and demonstrated how a typical 5G network can support the delivery of future eSports events across Tay Cities region and beyond.
- Developed knowledge and experience for future eSports events.
- The UCT acted as a catalyst for SME growth, development and collaboration.
- The event created a shop window/ recruitment space for Dundee's further and higher education establishments and promoted reskilling and upskilling opportunities

Partners, collaborators and sponsors managed and executed the UCT and brought match. Leading the UCT were SMEs, NLA Europe, engaging with Dundee on eSports arena plans and regional company Esports Scotland. The group collaborated with SMEs, Event Production Group and AWTG, a telecoms technology company. Commercial sponsors were GT Omega, Currys PC World, Lenovo and AG Barr. For business growth, NLAE, ESS, AWTG and Event Production Scotland have derived benefits contributing to their future development. In particular, NLAE is working with Nokia on the configuration of the planned arena. Following an invitation by Dundee & Angus College, ESS established a presence at the Gardyne Campus and have been embedded into eSports curriculum planning and skills delivery. The company has also expanded and is in discussion on potential investment (and is delivering a further Esports Scotland League event in November 2022). The UCT has also been a catalyst for a successful bid by the Tayside Regional Improvement Collaborative that addresses STEM skills and will support access to high quality STEM learning experiences.



Benefits

Benefits Realisation Plan

Key to the Tay Cities Region Deal is ongoing monitoring and evaluation, which will be progressed as part of the Benefits Realisation Plan (BRP). The development of a Tay Cities Benefits Realisation Plan has been informed by the work of the PMO Networking Group's benefits realisation sub-group.

In March 2022, the first Benefits Realisation Plan for the Tay Cities Region Deal was approved by Governments and the Joint Committee.

The purpose of the BRP is to demonstrate, to our local, regional and national stakeholders, how we will capture the outputs, outcomes, and impacts resulting from Tay Cities Region Deal investments. It is the Partnership's approach to monitoring and evaluation. Going forward, the Partnership will identify, collate and explain the collective benefits of the Deal as a whole.

The Plan is due to be updated, as part of an annual commitment. It will be published in March 2023 on the Tay Cities website.

As the main commitments for the Deal, the value of leverage secured and committed as well as the number of jobs secured to date are outlined below.

Leverage Statement

The Investment by the Scottish Government and the UK Government of up to £150 million each in the Tay Cities Region Deal, has the potential to lever in £400 million of investment over 15 years. At the time of Deal signing, the named Programmes, Fund and Projects made a commitment to secure this investment. The Deal definition of leverage is the provision of financial and other incentives to mobilise partner and stakeholder resources. This includes equipment and people as well as funding.

Since Deal signing in December 2020, a significant amount of leverage has been secured to the end of this reporting period. Table 4 on page 82, summarises the leverage position up to the end of Q2 2022.

Table 4: Tay Cities Region Deal Leverage Summary

Tay Cities Region Deal Thematic Board	Programme/Project	Leverage commitment at Deal signing (£000)	Leverage secured to end of Q2 2022 (£000)	Leverage received to end of Q2 2022 (£000)
Skills	Regional Skills and Employability Development Programme ¹⁵	0	0	0
	Regional Skills and Employability Development Programme – Programme Manager	0	0	0
	Regional Skills and Employability Development Programme – Digital Skills	0	0	0
	Regional Skills and Employability Development Programme – Life Sciences - Biotechnology and Medical Technology	0	0	0
	Regional Skills and Employability Development Programme – Upskilling of SMEs	0	0	0
	Regional Skills and Employability Development Programme – Hospitality	0	0	0
	Tay Cities Engineering Partnership	500	300	300
	Aviation Academy for Scotland	0	0	0

¹⁵ The full leverage figure for the Regional Skills and Employability Development Programme includes Programme Manager, Digital Skills, Life Sciences - Biotechnology and Medical Technology, Upskilling of SME's and Hospitality. Therefore, the figure does not include these projects as they are shown separately.

An Innovative, International Tay				
Innovative, International	Growing the Tay Cities Biomedical Cluster	119,099	15,826	6,776
	International Barley Hub	0	8,600	0
	Advanced Plant Growth Centre	0	1,475	0
	Angus Fund ¹⁶	23,900	0	0
	Angus Fund – CASI Programme	12	0	0
	Angus Fund - Mercury Drone Ports	0	0	0
	Angus Fund - Angus Rural Mobility Hub	3	0	0
	cyberQuarter	5,024	10,043	10,043
	Just Tech	0	0	0
	Perth Innovation Highway	17,242	0	0
	Studio Dundee	21,000	0	0
	Advanced Manufacturing Programme	8,000	0	0
	Eden Campus	110,394	56,400	33,800
	Stretch Dome Simulator	0	0	0
	Project Beacon	12,425	0	0
Culture & Tourism	Regional Culture & Tourism Investment Programme ¹⁷	19,000	0	0
	Regional Culture and Tourism Investment Programme - Hospitalfield	5,500	3,606	2,039
	Regional Culture and Tourism Investment Programme – Discovery Point Transformed	2,500	3,303	1,249
	Pitlochry Festival Theatre	10,000	8,220	8,220
	Perth Cultural Transformation	15,217	9,535	9,535
	Innerpeffray Library	0	0	0
	Crieff International Highland Centre	660	0	0
	Aero Space Kinross	1,285	0	0

¹⁶ The full leverage figure for the Angus Fund includes CASI Programme, Mercury Drone Ports and the Angus Rural Mobility Hub. Therefore, the figure does not include these projects as these are shown separately.

¹⁷ The full leverage figure for the Regional Culture & Tourism Investment Programme includes Hospitalfield, Discovery Point Transformed and Pitlochry Festival Theatre. Therefore, the figure does not include these projects as these are shown separately.

Tay Cities Region Deal Thematic Board	Programme/Project	Leverage commitment at Deal signing (£000)	Leverage secured to end of Q2 2022 (£000)	Leverage received to end of Q2 2022 (£000)
A Connected Tay				
Digital	Rural Angus and Rural Perth and Kinross Highspeed Broadband	5,980	3,980	3,980
	5G Digital Testbeds	0	461	152
Transport	Low Carbon Transport & Active Travel Hubs – Phase 1 Broxden Low Carbon Travel Hub	424	1,028	0
	Low Carbon Transport & Active Travel Hubs – Phase 2 Perth Active Travel Hub	400	400	0
	Low Carbon Transport & Active Travel Hubs – Phase 3 Hydrogen Refuelling Station	0	0	0
	Dundee Airport Investment	400	400	400
	Perth Bus & Rail Interchange	0	0	0
ALL	TOTAL	400,000	123,577	76,008

Key Headlines

- Since the Deal Signing, £123.5m of leverage has been secured by Projects to the end of September 2022. This equates to one third of the overall leverage anticipated at Deal Signing.
- To the end of September 2022, Projects within the Deal have received £76m of the secured leverage, equating to 19% of the leverage commitment at Deal Signing.



Jobs Statement

The Investment by the Scottish Government and the UK Government of up to £150 million each in the Tay Cities Region Deal, has the potential to secure over 6,000 jobs. At the time of Deal signing, the named Fund, Programmes and Projects made a commitment to secure these jobs. The Deal definition of jobs is any new permanent paid jobs created as a result of the project. This can include construction or safeguarded jobs, as well as apprenticeships.

Table 5 below, summarises the number of reported jobs created up to the end of Q2 2022 since Deal Signing.

Table 5: Tay Cities Region Deal Jobs Summary

Tay Cities Region Deal Thematic Board	Programme/Project	Jobs commitment at Deal signing or in Approved Business Case	Jobs Created to end of Q2 2022
An Empowered and Inclusive Tay			
Skills	Regional Skills and Employability Development Programme ¹⁸	0	0
	Regional Skills and Employability Development Programme – Programme Manager	0	1
	Regional Skills and Employability Development Programme – Digital Skills	0	0
	Regional Skills and Employability Development Programme – Life Sciences - Biotechnology and Medical Technology	0	0
	Regional Skills and Employability Development Programme – Upskilling of SMEs	0	0
	Regional Skills and Employability Development Programme – Hospitality	0	0
	Tay Cities Engineering Partnership	10	0
	Aviation Academy for Scotland	93	0

¹⁸ The full jobs figure for the Regional Skills and Employability Development Programme includes Programme Manager, Digital Skills, Life Sciences - Biotechnology and Medical Technology, Upskilling of SME's and Hospitality. Therefore, the figure does not include these projects as they are shown separately.

An Innovative, International Tay			
Innovative, International	Growing the Tay Cities Biomedical Cluster	450	0
	International Barley Hub	1838	65
	Advanced Plant Growth Centre	795	59
	Angus Fund	100	0
	cyberQuarter	500	103
	Just Tech	251	0
	Perth Innovation Highway	720	0
	Studio Dundee	250	0
	Advanced Manufacturing Programme	0	0
	Eden Campus	659	376
	Stretch Dome Simulator	3	3
	Project Beacon	60	0
Culture & Tourism	Regional Culture & Tourism Investment Programme ¹⁹	229	0
	Regional Culture and Tourism Investment Programme - Hospitalfield	13	9
	Regional Culture and Tourism Investment Programme – Discovery Point Transformed	78	26*
	Pitlochry Festival Theatre	230	0
	Perth Cultural Transformation	40	10
	Innerpefferay Library	0	0
	Crieff International Highland Centre	4	0
	Aero Space Kinross	50	0

¹⁹ The full jobs figure for the Regional Culture & Tourism Investment Programme includes Hospitalfield and Discovery Point Transformed. Therefore, the figure does not include Hospitalfield and Discovery Point Transformed as these are shown separately.



A Connected Tay			
Digital	Rural Angus and Rural Perth and Kinross Highspeed Broadband	0	0
	5G Digital Testbeds	0	22*
Transport	Low Carbon Transport & Active Travel Hubs – Phase 1 Broxden Low Carbon Travel Hub	16	0
	Low Carbon Transport & Active Travel Hubs – Phase 2 Perth Active Travel Hub	21	0
	Low Carbon Transport & Active Travel Hubs – Phase 3 Hydrogen Refuelling Station	27	0
	Dundee Airport Investment	320	3
	Perth Bus & Rail Interchange	75	0
ALL	TOTAL	6,832	677

* Denotes temporary positions created

Key Headlines

- Since the Deal Signing, 677 jobs have been created by Projects to the end of September 2022. This includes the creation of 48 temporary positions, which have provided experience in both the digital and construction industries. This equates to 11% of the 6,000 jobs anticipated at Deal Signing.

Year Ahead

Upcoming Milestones

Over the coming year, the Tay Cities Region Deal is committed to various activities relating to the Deal and regional collaboration work. The milestones and key dates are set out below.

Table 6: Milestones

Milestones	Target Date
Regional Collaboration – Partner Vision Session 1	October 2022
Regional Economic Strategy Action Plan update	December 2022
Submission of draft Annual Performance Report following approval by Tay Cities Partnership	December 2022
New Joint Committee Chair & Vice Chair appointed	December 2022
PR & Comms Protocol annual refresh	January 2023
Clean Growth Action Plan update & launch of Nexus	February 2023
Benefits Realisation Plan annual update published	March 2023
Final Annual Performance Report published following the Annual Conversation	March 2023
Regional Collaboration – Partner Vision Session 2	April 2023
Implementation Plan Annual Review	June 2023
Regional Spatial Strategy Review after the publication of the National Planning Framework 4	September 2023
Audited Financial Statement and Accounts annual review and update	September 2023
Review of the Governance Structure, Terms of Reference, Membership & Chairing Arrangements for each Governance body annually	December 2023



Business Cases & Project Delivery

As the Deal approaches the final quarters of the 2022/23 financial year and its fourth year of delivery since the Deal was signed, a number of projects will be coming forward to progress their business cases for approval to deliver. Table 7 below outlines the business cases expected to seek Government and Partnership approval between Q2 2022 and Q2 2023.

Descriptions of each project can be found in the Deal Document.

Table 7: Business Case Timeline

Project	Anticipated Business Case Approval Date	Status
Regional Skills & Employability Development Programme – Programme OBC Refresh	2022/23	Business case in development
Regional Skills & Employability Development Programme – Digital Skills project (Year 2 Project)	2022/23	Business case in development / with Governments for review
Regional Skills & Employability Development Programme – Life Sciences project (Year 2 Project)	2022/23	Business case in development
Regional Skills & Employability Development Programme – Upskilling SME Skills project (Year 2 Project)	2022/23	Business case in development
Regional Skills & Employability Development Programme – Hospitality project (Year 2 Project)	2022/23	Business case in development
Angus Fund – CASI Programme (Year 2 Project)	2022/23	Business case in development
Angus Fund – Mercury Drone Port Project (Year 2 Project)	2022/23	Business case in development
Angus Fund – Rural Mobility Hub Project (Year 2 Project)	2022/23	Business case in development
Pitlochry Festival Theatre (Year 6 Project)	2021/22	Business case in development
Aero Space Kinross (Year 9 Project)	2022/23	Business case in development
Regional Culture & Tourism Investment Programme – Programme OBC refresh	2023/24	Business case in development
Regional Culture & Tourism Investment Programme – Phase 2 Projects	2023/24	Business case in development
Perth Innovation Highway (Year 2 Project)	2023/24	Business case in development. Expecting a 1 year delay
Aviation Academy for Scotland (Year 2 Project)	2023/24	To be developed. Expecting a 1 year delay

Regional Collaboration

In the next year, the following Regional Collaboration opportunities are likely to emerge;

- From the reporting period 2 facilitated workshop sessions on regional collaboration have emerged, with the first of these being held at the end of October. The purpose of these sessions is to refine and commit to the areas where there is greatest value in collaborating, and record the successes.
- Leading on from the workshop outputs to refine the Regional Economic Strategy Action Plan and prioritise actions to better report on delivery.

Key Challenges

There are a number of key challenges facing the Deal in the coming months. These include:

- Inflation has emerged as a significant challenge for both Projects and the Partnership in managing the Deal Programme. The Partnership will continue to work together to understand the impact on the Deal and support Projects to deliver.
- The Scottish Government released Carbon Management Guidance in August 2021 and it was updated in August 2022. Projects will need to ensure that this is addressed in business cases going forward and how carbon impacts are monitored and evaluated will need to be considered as part of Benefits Realisation planning.
- Ensuring timely approval of full business cases for the remaining year 3 profiled projects as well as year 4 projects.
- The full implementation of the Benefits Realisation Plan is a challenge for the coming year. The Partnership will continue to seek accurate and timely reporting to support monitoring and evaluation of the Deal.

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Programme Management Office

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Local Authority Extended Programme Management Officers

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Further Information

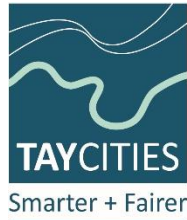
Tay Cities Region Deal Website: <https://www.taycities.co.uk/>

Tay Cities Publications, including the Deal Document and regional strategies/plans:
<https://www.taycities.co.uk/publications>

Tay Cities Joint Committee Papers: <https://www.taycities.co.uk/joint-committee>



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REPORT TO: TAY CITIES REGION JOINT COMMITTEE
REPORT ON: TAY CITIES REGION DEAL BENEFITS REALISATION PLAN
REPORT BY: LAUREN HOLLAS, TCRD PROJECT MANAGER
REPORT NO: TCRJC5-2023

1. PURPOSE OF REPORT

1.1. This report seeks to update the Joint Committee on the 2022/23 Benefits Realisation Plan (Appendix 2) and requests approval by the Joint Committee.

2. RECOMMENDATIONS

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

- a) Note that the Management Group recommended the updated Benefits Realisation Plan for approval to the Joint Committee on 23rd February 2023; and,
- b) Approve the 2022/23 Benefits Realisation Plan.

3. SUMMARY OF THE BENEFITS REALISATION PLAN

3.1 Introduction

3.1.1. As part of the Grant Offer Letter for the Tay Cities Deal, dated 30 June 2021, a number of conditions have been set including a requirement to develop a Benefits Realisation Plan (BRP), which should complement the Annual Performance Report. The Grant Offer Letter stipulates the following conditions:

- Annually (31st March) - an Annual Performance Report based on the previous year's activity (at both Programme and Project level) to include:
 - an updated Benefits Realisation Plan detailing the realisation of benefits across the Programme, bringing focus and alignment to wider regional cohesion and economic development benefits achieved by utilising partner resources.
 - This report will form the basis of the Annual Conversation and should follow the annual report template.

3.1.2. Benefits Realisation is a term that refers to the Deal's approach to monitoring and evaluation.

- 3.1.3. The primary objectives of the BRP, as outlined in the guidance issued by the Scottish Government (Appendix 1), are to:
- Demonstrate - for the benefit of local, regional and national stakeholders - the outputs, outcomes, and impacts realised as a result of Deal investments in projects;
 - Identify, collate, and explain the collective benefits of the Deal as a whole, which may be wider than individual project outputs, outcomes, and impacts;
 - Provide accountability for both government and partner investment;
 - Enhance the operational effectiveness of existing projects; and
 - Improve potential future initiatives through the capture, dissemination, and application of learning.
- 3.1.4. The BRP will demonstrate cross-cutting links with other areas of work within the Deal including the Implementation Plan and its annual review, the Inclusive Growth Agenda, Clean Growth, Community Wealth Building including community benefits and will support the delivery of the Monitoring and Evaluation of the Deal. The Plan will also seek to capture the Change Control process (to be agreed).
- 3.1.5. At Deal Signing, all named Programmes and Projects committed to a number of outputs, including those relating to jobs and leverage. This will be the starting point of reporting, and additional outputs as committed to in approved business cases will also be reported against.

3.2 Approach

- 3.2.1 The first Benefits Realisation Plan, approved by the Joint Committee on 11th March 2022, set out the principles and our approach to monitoring and evaluation.
- 3.2.2 Following this, the Scottish Government requested that the updated Plan, in line with the Grant Offer Letter requirements, include Inclusive Growth Statements from all Projects and updated to reflect the revised City & Growth Deal Carbon Guidance.
- 3.2.3 The Tay Cities Region Deal approach to monitoring and evaluation is set out in Appendix 2 and includes these updates. This is the version that has been shared with both Governments and used to inform both the Annual Performance Report and Annual Conversation.

3.3 Next Steps

- 3.3.1 Following approval of this updated Plan, the Deal will move into reporting of benefits. The PMO will continue to liaise with Projects to ensure that comprehensive reporting against outputs and other commitments is captured, in Quarter 2 to align with the Annual Report reporting period.
- 3.3.2 As part of the reporting, Projects will be asked to profile outputs delivery as well as share the Logic Chain Models with the PMO to add to the suite of Logic Models held.
- 3.3.3 The Benefits Realisation sub-group, stemmed from the National PMO Networking Group, continues to work to streamline processes around reporting and evaluation and this will be taken in to account.

3.3.4 Benefits reporting will be captured and reported annually to align with the Annual Report.

3.3.5 As the commitment to the Benefits Realisation Plan is annual updates, the following will be captured in the next iteration as well as any other amendments required to ensure that the latest position from both the Partnership and Governments is reflected.

Section	Update	Action
2.4. Programme Theory of Change	Capture how culture & tourism projects will record visitor information.	The measures to capture this information will be specified in each individual Project benefits realisation reporting and updated within the Plan where appropriate.
4.3. Outputs, Outcomes and Impacts Figure 1	<p>SG have requested that there is a breakdown of who the beneficiaries/visitors/SMEs are. This includes some sub-analysis around the types of people (including protected characteristics) and jobs (contract length, pay, training availability etc.).</p> <p>This could be something to work on in future years but it would be useful to demonstrate Inclusive Growth benefits from the Deal.</p>	It was agreed that this would be updated once reporting of outputs in underway.
4.6. Risks	Any update to the risks will be provided as part of future Benefits Realisation Plan updates and the Deal's Risk Register	This relates to the risks highlighted when undertaking early engagement sessions with the Projects. The PMO will continue to understand risks being reported by Projects and update as necessary.
5. Evaluation	Over the next year the PMO will establish which approach is likely to be practical and proportionate at a project level and how and when to adopt this approach. The outcomes of these discussions will be reported in the next iteration of this Plan.	Updated evaluation approach to be included in the next update, where appropriate.
7.2. Definitions Guidance	Develop definitions guidance	The PMO will continue to liaise with the National PMO Networking Group to develop a set of definitions guidance, to support all Deals.
Inclusive Growth Statements (separate document)	<p>Inclusive Growth statements for the following Projects:</p> <ul style="list-style-type: none"> • Angus Fund projects • Just Tech • Perth Innovation Highway • Studio Dundee • Advanced Manufacturing Programme projects • Culture & Tourism Projects • Aero Space Kinross • Perth Bus & Rail Interchange • Dundee Airport 	Update as Projects receive business case approval on an annual basis.

4. CONSULTATIONS

4.1 In addition to being shared with both Governments the BRP has been shared with the following parts of the Partnership for their input and comments:

- Extended LA PMO
- Thematic Boards
- HE/FE Forum
- Finance Directors Group
- Management Group

Report author: Lauren Hollas
Title: Tay Cities Project Manager

SCOTTISH CITY REGION AND REGIONAL GROWTH DEALS

BENEFITS REALISATION PLANS

GUIDANCE FOR REGIONAL PARTNERSHIPS

1. Introduction

- 1.1. City Region and Growth Deals are long term, strategic investment programmes that aim to accelerate inclusive economic growth and increase relative equity within regions. This is achieved through the delivery of individual projects and programmes¹, typically over a 10 to 20-year period, that are collectively bound together by unifying regional strategies.
- 1.2. Each regional partnership is required, as a condition of grant², to develop a Benefits Realisation Plan (BRP). This informal guidance note sets out the principles of BRP development in the Deals context. It is not intended to act as an exhaustive list of requirements, nor does it supersede the Magenta Book, government's standard guidance on evaluation. Rather, it raises issues and poses questions that regional partners may wish to consider as they develop a BRP most appropriate to their own local circumstances.

2. Purpose and principles of Deal Benefits Realisation Plans

- 2.1. The primary objectives of City Region and Growth Deal BRPs are to:
 - Demonstrate - for the benefit of local, regional and national stakeholders - the outputs, outcomes, and impacts realised as a result of Deal investments in projects;
 - Identify, collate, and explain the collective benefits of the Deal as a whole, which may be wider than individual project outputs, outcomes, and impacts;
 - Provide accountability for both government and partner investment;
 - Enhance the operational effectiveness of existing projects; and
 - Improve potential future initiatives through the capture, dissemination, and application of learning.
- 2.2. Government recognises that Deals are diverse and designed to respond to the unique challenges and opportunities facing each region's economy. However, the following principles should underpin the approach to BRP development for all Deals.

¹ Henceforth the term 'projects' is used as shorthand to refer to projects and programmes within Deals.

² The requirement to develop a BRP is set out in annual Grant Offer Letters issued to all Deals in delivery.

- All monitoring and evaluation activity should be proportionate to utility, spend, and risk. Large, novel, and/or contentious projects - as well as those for which the most significant outputs and outcomes are not quantifiable - are most likely to benefit from detailed evaluation.
 - If regional partners are unsure as to what may constitute a proportionate approach, they should first develop options – including associated advantages, disadvantages, and costs – before discussing with government.
 - Existing datasets should be used wherever possible, in order to drive maximise efficiency in reporting and minimise the associated burden on project owners. The requirement for any new data collection should ideally be identified at the outset of Deal delivery, and be driven by a clear need to enhance or update information already available.
 - Accountabilities and responsibilities for each aspect of BRP development and delivery should be defined. That is, for each action (e.g. data collection, evaluation design and delivery, etc.) it should be clear who will undertake it and when, as well as how it will be reported.
 - Common definitions and reporting cycles should be established across all projects as far as practicable, to ensure Deal-level reporting is as robust and consistent as possible. For example, it is important to ensure all projects are using the same definitions of key metrics such as jobs created, matched and leveraged funding, etc. Government also strongly supports cooperation and coordination between regional Programme Management Offices wherever possible, in order to aid Scotland-wide analysis.
 - Government recognises that Deals are long term investments and that evaluations cannot usefully be conducted until sufficient progress has been made on delivery. However, it is important to articulate a robust and holistic approach to evaluation at the outset, in order to ensure appropriate baseline information is captured at both the project and Deal level.
- 2.3. It is the responsibility of regional partners to meet any costs associated with BRP development and delivery, including project and programme evaluation. In addition, government reserves the right to request further, independent evaluation of Deal progress as appropriate, with any associated costs to be met by regional partners.
- 2.4. Government recognises that BRPs will evolve over time as projects develop and the detailed outputs, outcomes, and impacts of each become clear. However, regional partners should agree their overarching strategy for benefits realisation – particularly any standardisation of metrics, and approach to baselining – as soon as possible, and ideally before any projects enter delivery. This will help ensure consistency and clarity is built into the process for all project owners from the outset.

3. Content and structure

- 3.1. It is for regional partners to determine the overall structure of their BRP. However, as a minimum government expects the following information to be captured:

- Deal overview, including key inputs, outputs, outcomes and impacts;
- Target audiences;
- Programme-level theory of change (logic model), demonstrating the expected causal relationship between inputs, outputs, outcomes, and impacts;
- Approach to measurement, evaluation, and baselining; and
- Governance and oversight arrangements.

3.2. Each of these areas is discussed in more detail below.

Deal overview

- 3.3. A short summary of the Deal should be provided, including key themes and investment priorities. It may be helpful to provide a breakdown of government and regional partner funding commitments by theme/project as appropriate.
- 3.4. This section should also clearly summarise key Deal-level commitments as described in Heads of Terms/Full Deal documentation. This will vary considerably between Deals but may include:
- Number of jobs to be created/protected;
 - Evidenced contributions to inclusive growth and/or sustainability (e.g. carbon reduction);
 - Cultural participation;
 - Regional economic impact; and
 - Wider impacts (e.g. on place making, regional partnership working, etc).
- For the purposes of the Scottish Government in particular it would also be helpful to describe, in narrative or tabular form, how the Deal contributes to the overarching objectives of the National Performance Framework, for example on improving equality and eliminating discrimination, and meeting any targets relating to the reduction of greenhouse gas emissions.

Target audiences

- 3.5. The development of BRPs should be shaped by the likely needs and requirements of the target audience(s). Regional partners should therefore consider the following questions:
- Who is likely to be interested in the BRP and its findings?
 - How have they been involved in its development?
 - How will they be kept informed of progress?

Theory of change

- 3.6. The theory of change³ for each individual project within a given Deal is captured in the associated business case.
- 3.7. For the purposes of the BRP, a theory of change for the Deal as a whole should be developed. This should summarise how key inputs, activities, and outputs will

³ Further information on how to develop an effective theory of change can be found in the [Magenta Book](#) (Chapter 2).

enable regional partners to meet their commitments to outcomes and impacts, as set out in Heads of Terms/Full Deal documentation.

Approach to measurement, evaluation, and baselining

3.8. The theory of change should establish the assumed causal relationships between the Deal's inputs, outputs, outcomes, and impacts. In order to demonstrate this theory is delivering in practice, regional partners should consider the following questions:

- What information is required from each project owner to demonstrate Deal-level outputs, outcomes, and impacts are being delivered?
- How will the necessary information be gathered and analysed? Are standard forms required?
- What will be monitored, and what will be evaluated?
- Which evaluation techniques are most appropriate in which circumstances?
- What arrangements are in place to ensure appropriate baseline information is captured prior to commencing project delivery?

Governance and oversight arrangements

3.9. It is essential to be clear from the outset who is responsible for developing and overseeing implementation of the BRP, and how progress will be reported to identified target audiences. Key questions to consider include:

- Who is responsible for writing the BRP itself?
- How often will it be updated, and by whom?
- How will it interact with the Deal's existing governance structures? Will a new group/board be created to drive progress, or will responsibility fall to an existing forum?
- How will monitoring and evaluation activity be resourced by project owners and/or the partnership as a whole?

Last updated: November 2020

APPENDIX 2

Please see separate documents for consideration.

Tay Cities Region Deal

Benefits Realisation Plan



Scottish Government
Riaghaltas na h-Alba
gov.scot



The ultimate aim of the Deal is to enhance the lives of the region's residents. The partners are clear that for the regional economy to thrive we must increase economic participation, reduce inequalities, and attract and retain talent.



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Introduction



1. Introduction

1.1. Purpose

- 1.1.1. The purpose of this Benefits Realisation Plan (BRP) is to demonstrate, to our local, regional and national stakeholders, how we will capture the outputs, outcomes, and impacts resulting from Tay Cities Region Deal investments. It is the Partnership’s approach to monitoring and evaluation.
- 1.1.2. In this document, “Project” relates to the Programmes, Fund and Projects within the Deal.
- 1.1.3. The Benefits Realisation Plan will:
- Identify, collate and explain the collective benefits of the Deal as a whole;
 - Outline the processes followed by the Tay Cities Region Partnership to maintain a regular record of project delivery;
 - Provide a framework for constructive evaluations of Projects; and,
 - Act as a guide for the Project Owners for monitoring and evaluation.
- 1.1.4. This Plan, therefore, sets out our approach to:
- Project monitoring and reporting, including definitions guidance; and
 - Both the Deal Programme and project evaluation.
- 1.1.5. Updates to the Benefits Realisation Plan will be reviewed annually as part of the Annual Performance Report.

Strategic Context and Objectives



2. Strategic Context and Objectives

2.1. Deal Overview

2.1.1. The Scottish Government and UK Government will each invest up to £150 million in the Tay Cities Region Deal (the Deal). This investment has the potential to secure over 6,000 jobs and lever in £400 million of investment over 15 years. It will enable the region to:



Empower and promote inclusion – by ensuring that local people have the skills they need to succeed in the modern workplace and that growth is inclusive;



Innovate and internationalise – by developing globally recognised clusters of academic and business excellence; and,



Connect – by improving physical and digital infrastructure.

2.1.2. Table One sets out both the Government and Partners investment commitments, split by the themes in the Deal.

Table 1: Total Anticipated Deal Contributions

Milestone	Governments (£m)	Partners (£m)	Leveraged (£m)	Total (£m)
Skills	30.1	-	0.5	30.6
Innovative and International	188.2	27	305	520.2
Culture and Tourism	49.7	15	39	103.7
Digital	4.0	-	6	10
Transport	28	7	0.5	35.5
Total	300	49	351	700

2.2. Inclusive Growth Challenges

2.2.1. In broad terms four interlinked challenges were identified, as detailed in the Deal Document¹:

- Weak Productivity and Slower Growth
- Skills, Health Outcomes and Earnings
- Low Income
- Need for Sustainable Places

2.2.2. A separate document has been designed to detail each of the Deal Projects' Inclusive Growth Statements as a supplement to the Benefits Realisation Plan. It is available on request and will be updated in line with the annual Benefits Realisation Plan review.

2.3. Benefits Realisation Plan Audiences

2.3.1. The list below outlines the audiences who may wish to use or have an interest in the outputs of the monitoring and evaluation approaches proposed within this Plan. For both the Governments and the Tay Cities Region Deal Partnership, monitoring and evaluating the Deal outcomes and impacts will allow learning to inform future policy, strategies and plans.

- **UK & Scottish Governments as well as the Scottish City Region and Growth Deals Delivery Board** - to enable them to monitor and review progress of the delivery of the Tay Cities Region Deal outcomes and impacts;
- **Accountable Body/Auditors:** to consider achievements as well as any interventions that have been less successful, and understand what evidence is available and how it is collected;

Tay Cities Region Deal Partnership

- **Tay Cities Region Joint Committee** - in their role as the primary decision-making body for the Deal overseeing investment and approving all relevant business cases;
- **Tay Cities Management Group** - as this Group is tasked to: support the Joint Committee in the delivery of the Deal, ensuring that it is aligned towards achieving its inclusive growth ambitions; monitor delivery of milestones (including benefits realisation); and, identify priorities and develop solutions to maximise private sector investment in the Tay Cities region;
- **Finance Directors Group** - that supports both the Management Group and Joint Committee in overseeing the Deal's finances; ensures that the Deal funds are being spent as set out in the Financial Plan (and therefore the consequent outputs anticipated under this Plan are likely to be delivered); and considers and escalates any risks to the Management Group;
- **Heads of Economic Development** – across the four Councils that, amongst other roles, are tasked to provide support and challenge to projects within the Deal provide advice as required. They also lead for the partnership on the delivery of Inclusive Growth and the Regional Economic Strategy Action Plan;

¹ https://www.taycities.co.uk/sites/default/files/tay_cities_deal_doc_feb_8.pdf



- **Tay Cities Region Enterprise Forum** - from a business and third sector perspective this forum will provide knowledge and expertise to the Joint Committee and Management Group to assist them in implementing the Deal and achieve the benefits committed to. The Enterprise Forum will be able to use Benefits Realisation reporting to reflect on findings and consider opportunities for future funding as part of the Deal and other areas of work;
- **Tay Cities Region Higher Education/Further Education Forum (HE/FE Forum)** – which, from an education sector perspective, will adopt the same roles as the Enterprise Forum above; and,
- **The Five Thematic Boards** - given their role to develop and maintain oversight of projects across the five Deal themes and, in particular, reviewing and assessing business cases (and any requests for change to approved projects) and leading and maximising collaboration (and benefits realisation) across other Deal themes and other regional stakeholders.

2.4. Programme Theory of Change

2.4.1. All of the Programmes, Fund and Projects, as a result of the work initiated by this Plan:

- Are in the process of developing their individual Logic Chain Models; and,
- Given the above, will provide the PMO, using the reporting template at Appendix C, with information in relation to the outputs, outcomes and impact measures they will use and timetables over which they will report these measures.

2.4.2. Prior to the completion of this work - and for the purposes of this Plan – an indicative initial high-level Logic Model has been developed, as outlined at Table Two. This version will be updated as individual Logic Chain Models come forward.

2.4.3. As illustrated, Table Two provides a broad overview of:

- The **inputs and activities** identified within the Deal;
- Main **beneficiary groups/conditions** (in terms for example of the Region’s residents and environment) that will be impacted by these activities;
- Short term **direct outputs** that will result within these groups/conditions on completion and operation of Programme facilities and interventions;
- A range of **intermediate** medium-term impact indicators of relevance to each project that they will seek to capture, against agreed baselines and outcomes; and,
- A **minimum number** of long-term impacts that focus, at an overall level, upon the sustainable benefits of the Deal in terms of:
 - Economic growth, including sustainable employment growth and increases in investment and associated returns;
 - How the above is aligned to and supports the delivery of the Deal’s inclusive growth objectives; and,
 - The associated developments that might be linked to the Tay Cities Region Deal, over and above those initially identified under the capital and revenue expenditure across the Deal.

Table Two: Deal Programme Logic Model by Tay Cities Region Deal Theme

10

Input (£m)	Activities	Main Beneficiary Groups	Short Term Outputs	Medium Term Impacts	Longer Term Impacts
SKILLS THEME					
30.6	Projects targeting skills development for other Tay Cities Region Deal projects and reskilling in both the region and Scotland's aviation & engineering sectors	Tay Cities region residents - age, gender Protected characteristics/ Communities - disadvantaged, SMID, rural Businesses - SMEs, sectors, Investors	Increase total number of beneficiaries Increase sustainable ² new job opportunities Increase number of businesses directly supported by projects within this theme Increase number of beneficiaries supported into sustainable employment Increase number of businesses receiving support to 1) improve their understanding of the recruitment needs and challenges they face, and 2) increase their ability to access suitably skilled staff (as measured in the Employer Skills Survey) Uplift in skills and employability - additional accredited training and skills improvements	Increased number of participants are in sustained employment Enhanced partnership working within and across all local Authority areas Service quality is standardised across Local Authority areas Benefits for individuals- skills and personal development, health, and wellbeing Upskilling and targeted support for low paid individuals and those further from labour market Improved alignment with specialist support- Housing & Health and Criminal Justice Improved Business Base benefitting from a diverse and skilled workforce Increased employer engagement to facilitate employment of participant groups and deliver Fair Work	Making a positive contribution to: Levels of quantifications and skills across the City Region, providing a skilled workforce, equipped for the requirements of the labour market Improving the employability landscape Integration and alignment of employability services within Tayside with effective support and service provision in urban and rural areas Increasing the employment rate Decreasing unemployment/ economic inactivity rate Reducing the number of workless households Improving equality and diversity across the region Uptake of the Fair Work

² Sustainable and sustained jobs defined as 'greater than 13 weeks' for Skills projects

Input	Activities	Main Beneficiary	Short Term Outputs	Medium Term Impacts	Longer Term Impacts
			<p>Development of a pan-regional skills development and employability approach, built on enhanced cooperation, collaboration, and partnership working</p> <p>600m² Centre of Excellence for Tay Cities Engineering Partnership resulting in a space for companies to access, projects to evolve and £500k private sector investment in equipment</p>	<p>Increased regional productivity</p> <p>Industry led upskilling programmes addressing the needs of the existing and emerging sectors</p>	<p>Reducing levels of child poverty and deprivation</p> <p>Increased uptake of companies using digital technologies and advanced manufacturing techniques for design, prototyping and POC</p> <p>Increased productivity in the engineering and manufacturing sector</p> <p>Providing a skilled workforce equipped for the needs of the EAM sector</p>
INNOVATIVE, INTERNATIONAL THEME					
520.2	Development of a range of bio-medical, food, environmental, cybersecurity, and legal sector focused facilities	<p>Construction and supply chain</p> <p>Relevant sectors</p> <p>Tay region residents</p> <p>Students</p>	<p>Construction and Supply Chain jobs</p> <p>Community Benefits as a result of procurement practices</p> <p>Site Occupancy & Service take up</p> <p>Student/ Start-ups take up</p> <p>Indirect impact resulting in reduced carbon emissions</p>	<p>New jobs created</p> <p>Student wage uplifts</p> <p>Research & Adoption uplifts and other Investment secured</p> <p>New theme supported SMEs/ Start-Ups</p> <p>Student wage uplifts</p> <p>Knock on or wider falls in carbon emissions³</p>	<p>Sustained employment/ wage rate uplifts.</p> <p>Returns on Investment</p> <p>Inward Investment</p> <p>Increased knock on or wider falls in carbon emissions</p>

³ e.g. lower carbon emissions from food production due to adoption of research & development outcomes arising from the Innovation theme.

Input (£m)	Activities	Main Beneficiary Groups	Short Term Outputs	Medium Term Impacts	Longer Term Impacts
CULTURE AND TOURISM THEME					
103.7	Development of seven tourism & culture projects to enhance the offer and reputation of the Region as a visitor destination	Construction and supply chain Tourism and Culture sectors	Construction and supply chain jobs Community Benefits as a result of procurement practices Uplift in day visitors, including domestic visitors, visitors from out-with the region (UK) and foreign visitors (Relevant) Site Occupancy Minimised whole life carbon costs	Quality jobs created Investment secured Regional Economic Multiplier effects of wider visitor spend	Sustained theme related employment Enhancing the offer of the region as a tourist destination Returns on investment
Input	Activities	Main Beneficiary	Short Term Outputs	Medium Term Impacts	Longer Term Impacts
DIGITAL THEME					
10	Development of High Speed Broadband & 5G Test beds to enhance access in rural areas with little or no current connectivity	Construction and supply chain Users, including public sector, industry, academia, third sector and citizens	Construction and supply chain jobs Community Benefits as a result of procurement practices Infrastructure in place Minimised whole life carbon costs Reduced costs and barriers to 5G deployment	New jobs created Investment secured Improved Connectivity Wider user benefits ⁴ Commercial scale up of 5G technologies and uses Knowledge spill over – research outputs, patents developed	Sustained theme related employment Associated (user) productivity uplifts Accelerate and/or enhance deployment of 5G Attract inward investment in telecoms and digital Earlier realisation of benefits from 5G

⁴ By redressing the imbalances caused in rural areas by reduced or non-connectivity. For example, the inability to access online services causing

Input	Activities	Main Beneficiary	Short Term Outputs	Medium Term Impacts	Longer Term Impacts
TRANSPORT THEME					
35.5	Perth Bus & Rail Interchange, Low Carbon and Active Travel hubs and Dundee Airport improvements	Construction and supply chain Users	Construction and supply chain jobs Community Benefits as a result of procurement practices Infrastructure in place Minimised project related whole life carbon costs User modal shifts Increased airline passengers	Transport benefit improvements (e.g. safety, journey times, modal split, air quality, reduced emissions) (Air use related) Business time savings (Air use) Net tourism impacts	Sustained transport benefit improvements Business/tourism employment due to improved accessibility and builds on the attractiveness of the region as a destination for tourism and business Inward Investment



Reporting Roles and Responsibilities

3. Reporting Roles and Responsibilities

3.1. Roles

3.1.1. In reporting outputs and impacts, the Partnership is committed to:

- Adhering to the overarching principles of Government best practice in project and programme delivery;
- Selecting appropriate monitoring and evaluation approaches to best measure progress in meeting the inclusive growth objectives and impacts associated with the Deal;
- Regularly updating this Plan and associated reporting protocols; and,
- Adopting other new measures that will help assess and support the better management of Deal activities and impacts.

3.1.2. Consequently, the Partnership have - over the 15-year lifetime of the Tay Cities Region Deal – committed to the following:

- Delivery objectives and associated performance indicators will consistently be aligned to the stated output and impact objectives, as set out in the Deal Document and agreed at Deal Signing;
- Monitoring and evaluation will be used to confirm that: the benefits associated with these outputs can be realised; risks of non-delivery can, where appropriate, be managed; and, unjustified work can be terminated;
- Governance, management frameworks and monitoring and evaluation approaches are proportionate and appropriate to the work and levels of prevailing risk associated with each related Project delivery;
- Sharing, monitoring and evaluation approaches, resources and good practice across the Partnership and with the Government will help to minimise the costs associated with monitoring and evaluation, while also aiming to maximise future benefits particularly across Programme interdependencies. This will include:
 - Adopting common data sets, definitions and reporting cycles to allow comparisons to be drawn between Projects and, where appropriate, Deal Programme level; and,
 - Using existing data sources and streamlining any new data collection as much as possible.
- The suitability of selected indicators, outputs and outcomes will be subject to ongoing review in the light of alternative data sources/approaches to measurement becoming available.

3.2. Reporting

3.2.1. There is a current established quarterly reporting regime in place for the Partnership. All of the Programmes, Fund and Projects have been asked to show the delivery of their outputs, outcomes and impacts on an annual basis, in line with the Annual Performance Report. This is to enable to Partnership to align the reporting with the Annual Performance Report that has been set by Governments. From April 2022, this reporting regime will start to integrate the Benefits Realisation reporting requirements.

3.2.2. Quarterly performance meetings, between the PMO and Government representatives, cover project progress by exception, financial monitoring, and performance, including monitoring and evaluation. An overall Programme Risk Register and Performance Monitoring Report with any recommendations will then be considered by Thematic Boards, Management Group and the Joint Committee.

3.2.3. This will allow updates on progress towards outputs and benefits to be highlighted in the Annual Performance Report and Implementation Plan to assess on an ongoing basis how much impact the Deal is having on agreed inclusive economic growth outcomes.

Monitoring Approach



4. Monitoring Approach

4.1. Purpose of Monitoring

4.1.1. The monitoring and reporting of benefits associated with the Deal's Programmes, Fund and Projects is required to ensure effective management of the Tay Cities Region Deal. This will enable progress on the delivery of outputs and targets to be reported to all partners and the Governments.

4.2. Baseline Information & Gaps

4.2.1. To support reporting, Programmes, Fund and Projects will provide baseline data. This will be used to demonstrate uplift and change. Any gaps in baseline data, outputs and targets, will need to be highlighted and addressed through future Benefits Realisation reporting, including where a project has indicated data is still to be confirmed.

4.2.2. It is also expected that progress towards establishing a target where there is a current gap should be demonstrated. This includes agreeing any revised baseline position, using the change control process, to take account of the impacts of COVID, Brexit or other unforeseen external factors post Business Case approval.

4.3. Reporting

4.3.1. The funding committed to the Deal by the UK & Scottish Governments will lead to the overall Deal outcomes of over 6,000 jobs and securing £400m of leverage. The Tay Cities Region Deal approach to Benefits Realisation will ensure that the direct links between the Project outputs and the Deal outcomes can be captured.

4.3.2. Projects will be required to report against agreed outputs, outcomes and impacts that were committed to at Deal Signing and in approved business cases. Project owners, and the relevant Director of Finance for the project, will also confirm annually that the outputs, outcomes and impacts reported align with agreed commitments (including any approved changes relative to the original business case) within the most recent Benefits Realisation report and Implementation Plan.

4.3.3. As part of the initial reporting process, Projects will be asked to profile their outputs, outcomes and impacts so that the timescales for benefits realisation can be understood.

4.3.4. To ensure consistent reporting across the Deal a:

- **Guidance document** (Appendix A) was developed and agreed to inform the Partnership's commitment at Deal Signing; and a,
- **Reporting template**, for use by all Projects, has also been developed (Appendix C) in order to ensure agreed outputs, outcomes and impacts can be consistently reported and progress compared across projects, themes and the overall Deal.

4.3.5. Figure One below provides a high-level summary of the outputs indicators that are likely to be adopted against the five Deal themes.

4.3.6. The Partnership are committed to updating this summary to map the outputs against the five Deal themes in line with the with Benefits Realisation reporting.

Figure 1: Tay Cities Region Deal Outputs, Outcomes and Impacts

Indicator	Skills	Innovative & International	Culture & Tourism	Digital	Transport
New jobs					
Construction jobs					
Jobs protected					
Journey time savings					
Development space unlocked					
Training places					
Visitors					
Start-ups					
SME's supported					
Leverage - Private sector investment					
Leverage - Other					

4.4. Definitions

- 4.4.1. A set of 11 definitions for outputs were developed and agreed ahead of Deal Signing. These are set out in Appendix A. These inform the commitment that the Partnership entered into Deal including the 6,000 jobs and £400m leverage. They are the commitments against which all Business Cases are reviewed.
- 4.4.2. At Deal Signing a number of the Projects had tbc's against their commitments. This reflected, in some cases, that they were in the early stages of development. As each Project their business cases for approval by the Joint Committee they will be required to set out what their outputs are.
- 4.4.3. It is recognised that there are a number of outputs that projects have identified in addition to the agreed 11. These will also be captured and reported on.

4.5. Carbon Management

- 4.5.1. On 18th August 2021, the Scottish Government issued guidance relating to carbon assessment and management on behalf of both Governments. This was developed to meet Scotland's net zero whole life carbon emissions trajectory by 2045. Within the guidance, a set of carbon definitions were defined to support reporting. These are set out in Appendix B. Training and support continues to be provided by the Scottish Government to facilitate an understanding of the whole life carbon cost implications of all projects across the Deal. This will support Programmes, Fund and Projects to implement the guidance.
- 4.5.2. The carbon emissions impact of a Deal is considered by the Scottish Government to be a key output, therefore it is expected to be included in a Benefits Realisation Plan (BRP). Due to the varied nature of Deal projects, 'Carbon Emissions Impact Key Performance Indicators (KPIs)' should be chosen to suit the Deal and its projects' characteristics.
- 4.5.3. Projects should be able to demonstrate their understanding of the carbon emissions impact of their project by utilising the Scottish City & Regional Growth Deals Guidance Categorisation Form. Where appropriate, advice and support will be provided by the PMO, or by the Scottish Government's Sustainable Development Manager. This will be in the form of training and support sessions, for example.

4.6. Risks

- 4.6.1. As part of workshops held with all year 1, 2 and 3 programmes/projects for the Tay Cities Region Deal in January 2022, a number of risks were highlighted:
- **Inflationary impacts**, in part as a result of Brexit and Covid, on construction costs, including materials, supply chains and labour supply. This is being reported as having a potential impact on the delivery of outputs;
 - **Changes to baseline data**, reportedly as a result of Brexit and Covid implications, which may have an impact to the overall commitments. In particular, this to date has been reported by those projects within the Culture & Tourism theme; and,
 - **Resource and capacity** issues to undertake long-term monitoring and evaluation. This includes ensuring that projects appoint a lead officer to continue this role, if roles change, as agreed when all programmes/projects signed up to the Deal.
- 4.6.2. These risks have been shared with the Management Group and Thematic Boards. These risks will be continued to be understood as logic chain models and business cases are developed. Any update to the risks will be provided as part of future Benefits Realisation Plan updates and the Deal's Risk Register.

Evaluation



5. Evaluation

5.1. Project Evaluation

- 5.1.1. Understanding the impact of the Deal beyond the delivery of the direct outputs and outcomes set out in the Grant Funding Agreements is an important part of achieving the aspiration of the Deal. Projects, programmes and the overall Deal will all be part of the approach to evaluation.
- 5.1.2. All projects are expected to provide a final report evaluating the performance against agreed baselines and subsequent outputs and outcomes. Suggested approaches that could be adopted to such evaluations are provided in the Guidance document. Over the next year the PMO will establish which approach is likely to be practical and proportionate at a project level and how and when to adopt this approach. The outcomes of these discussions will be reported in the next iteration of this Plan.
- 5.1.3. All parts of the Deal Partnership will be provided with resultant evaluation reports, and will be invited to provide comment, where appropriate. As highlighted above, the Annual Performance Report will be an opportunity to demonstrate wider impacts of the Projects at annual milestones.

Change Control



6. Change Control

6.1. Change and Change Control

- 6.1.1. The APMG⁵ managing benefits guide identifies five main sources and/or outcomes of change that can negatively affect benefit delivery, all of which are potentially pertinent to the Deal. There are:
1. Forecasting failure: for example, benefits are not identified or are overestimated;
 2. Delivery failure: i.e. the failure to deliver a project with the planned functionality or on time, so impacting on the scale and timing of benefits realisation;
 3. Business and behavioural change failure: i.e. the business and behavioural changes on which benefits realisation is dependent do not occur or are poorly scheduled causing delays in benefits realisation;
 4. Benefits management failure: in relation to capturing and leveraging emergent benefits and mitigating dis-benefits; and,
 5. Value for money failure: the benefits are realised but at excessive cost.
- 6.1.2. For change control to be effective benefits must be measurable and link outputs to strategic goals. If such benefit measures are in place: “change control ensures only beneficial or necessary changes to the baseline are implemented”⁶.

6.2. Tay Cities Region Deal Change Control Process

- 6.2.1. The Tay Cities Region Deal Change Control Process has been developed and agreed by the Governments and Partnerships and is detailed at Appendix B.

⁵ <https://apmg-international.com>

⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/746400/Project_Delivery_Standard_1.2.pdf

7. Appendix A – Tay Cities Region Deal: Outputs, Outcomes and Impacts Guidance & Definitions

7.1. Tay Cities Outputs Definitions at Deal Signing

7.1.1. Prior to Deal Signing in December 2020, a set of outputs & definitions, as set out in Table Three, were agreed by both Governments and the Partnership and shared with all named Projects to support them in developing their own outputs. At the time, each owner was asked to consider and provide figures, where appropriate, at the SOC stage recognising that not all of the outputs were relevant. From this exercise, the Heads of Terms were developed and included the commitment to over 6,000 jobs and £400m leverage.

Table 3: Deal Signing Outputs Definitions

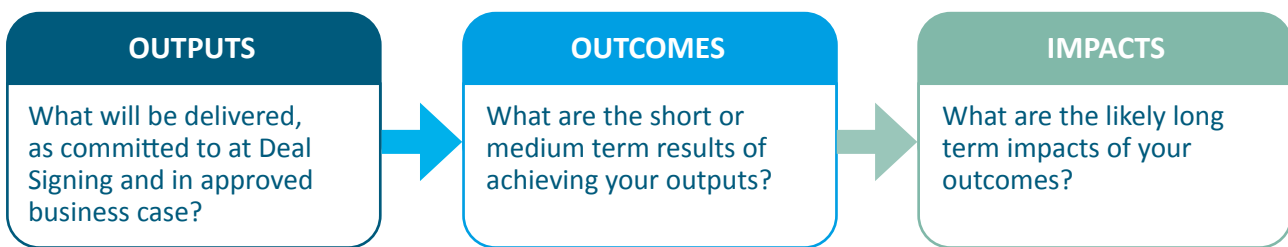
Output	Definition
New jobs	New, FTE, permanent, paid job created as a result of the project
Construction jobs	New, FTE, permanent, paid job created with construction sector partners as a result of the project (including apprenticeships)
Jobs protected	FTE, permanent, paid job retained in the organisation/sector as a result of the project (including apprenticeships)
Journey Time Savings	Improvement in journey times (minutes) between point A and point B as a result of the project
Development Space Unlocked	Additional space (m ²) created as a result of the project
Training Places	Number of additional training places created as a result of the project (excluding apprenticeships)
Visitors	Number of visitors attracted to the project
Start-ups	The number of new businesses created as a result of the project
SME's Supported	The number of business (with no more than 250 employees) supported by project activity
Private Sector Investment	Funding from non-public sector sources
Leverage	Leverage is defined as any funding/contribution to total project costs excluding Tay Cities Deal funding and unrecoverable VAT.
<ul style="list-style-type: none"> • LA leverage • HE/FE Leverage • Private Sector Leverage • Any other leverage 	Funding/Contribution secured from Local Authority partners Funding/Contribution from HE/FE partners to the project Funding Contribution from Private Sector partners Funding/Contribution from any other parties to the project.

7.1.2. In developing business cases, Projects may commit to additional outputs which will be captured in the reporting.

7.2. Definitions Guidance

- 7.2.1. To help with benefits reporting, a guidance note will be developed to provide support when considering outputs, outcome and impacts. The PMO will continue to liaise with the National PMO Networking Group to develop a set of definitions guidance, to support all Deals.
- 7.2.2. The list provided will not be exhaustive and will take examples from Benefits Realisation reporting as this evolves: additional project specific outputs, outcomes and impacts, as agreed at Deal Signing and in approved Full Business Cases, should be considered and reported where appropriate. Figure Two provides a high-level summary of what to report against outputs, outcomes and impacts.

Figure 2: Reporting example & high-level definitions



7.3. Carbon & Environmental Definitions

- 7.3.1. As noted in Section 4 of the Plan, the Scottish Government issued guidance, on behalf of both Governments, relating to carbon management in August 2021. Within the guidance, a set of carbon definitions were defined to support reporting. These are set out below in Table Four. Training and support continues to be provided by the Scottish Government to facilitate an understanding of the whole life carbon cost implications of all projects across the Deal.
- 7.3.2. In addition, it is a requirement that all projects must complete Appendix A of the Scottish City Region and Growth Deals Carbon Guidance so that the Governments are able to understand the likely impact of each project in relation to carbon impacts. This is a minimum requirement; however, any other commitments to carbon related outputs and monitoring is welcomed. The following table includes a range of example Carbon & Environmental Outputs.

Table 4: Example Carbon & Environmental Outputs

Output	Definition	Evidence
1. What are the embodied carbon emissions resulting from the project? (tonnes CO ² e)	Embodied carbon is the total greenhouse gas emissions (often simplified to “carbon”) generated to produce a built asset, excluding operational emissions. CO ₂ e is shorthand for carbon dioxide equivalents, the standard unit in carbon accounting to quantify greenhouse gas emissions. Embodied carbon includes emissions caused by extraction, manufacture/processing, transportation and assembly of every product and element in an asset. In some cases, depending on the boundary of an assessment, it may also include the maintenance, replacement, deconstruction, disposal and end-of-life aspects of the materials and systems that make up the asset. Suitably authoritative carbon factor sources should be used in embodied carbon calculations, e.g. ICE Carbon Inventory, Environmental Product Declarations (EPDs), CESSM4, etc.	The level of evidence detail will depend on the phase of the project. At concept stage an estimate based on major project elements (e.g. steel, concrete, floor area, etc.) will suffice. As a bill of quantities develops, so will the embodied carbon estimate. Evidence will be in the form of a simple calculation with clear workings and assumptions that should be broadly as accurate as the associated cost estimate.
2. How have embodied carbon emissions been minimised?	A description of the techniques used to arrive at the embodied carbon figure.	Evidence could include referring to the carbon management process used (e.g. PAS 2080, RICS Whole Life Carbon Assessment for the Built Environment, BREEAM, etc.) and associated procurement mechanisms to minimise carbon. Evidence could also include the use of low carbon materials or construction techniques with associated estimated carbon savings. Circular economy contributions, including waste minimisation and materials re-use, should be included here.
3. What are the annual operational carbon emissions resulting from the project? (tonnes CO ² e/year)	Operational carbon emissions result from the operation of a built asset. This includes carbon emissions associated with heating, hot water, cooling, ventilation, and lighting systems, as well as those associated with cooking, equipment, and lifts (i.e. both regulated and unregulated energy uses).	Predicted or actual data should be provided in relation to energy use, using best practice carbon conversion factors, e.g. the BEIS Greenhouse Gas Reporting factors or local equivalents where relevant.

4. How have operational carbon emissions been minimised?	A description of the techniques used to arrive at the operational carbon figure.	Evidence could include referring to the carbon management process used (e.g. PAS 2080, RICS Whole Life Carbon Assessment for the Built Environment, BREEAM, etc.). Evidence could also include the use of renewable energy technologies or low carbon heating systems.
5. What are the estimated whole life carbon emissions resulting from the project over its design life? (tonnes CO ² e)	Whole life carbon is the sum of a project's embodied carbon and operational carbon over a specified period, e.g. its design life or 60 years	Evidence would be a calculation showing the sum of the embodied and operational carbon values.
6. What whole life carbon savings are estimated compared to a 'business as usual' approach to project design and construction? (tonnes CO ² e)	Savings can only be demonstrated against a legitimate carbon baseline, i.e. what carbon emissions would have resulted from the project had active carbon reduction measures not been in place.	Justification of the carbon resulting from the business as usual scenario, then a calculation showing the difference between this value and the project's whole life carbon emissions.
7. How will the project become operationally net zero carbon by 2045?	A net zero asset may be defined as one that achieves a level of energy performance in line with national climate change targets that does not burn fossil fuels and that is 100% powered by renewable energy. Net zero is essentially the achievement of a balance of zero greenhouse gas emissions by taking actions to remove the same quantity of greenhouse gases from the atmosphere as all of the activities under consideration generate.	Justification of the carbon resulting from the business as usual scenario, then a calculation showing the difference between this value and the project's whole life carbon emissions.

Table 4: Example Carbon & Environmental Outputs

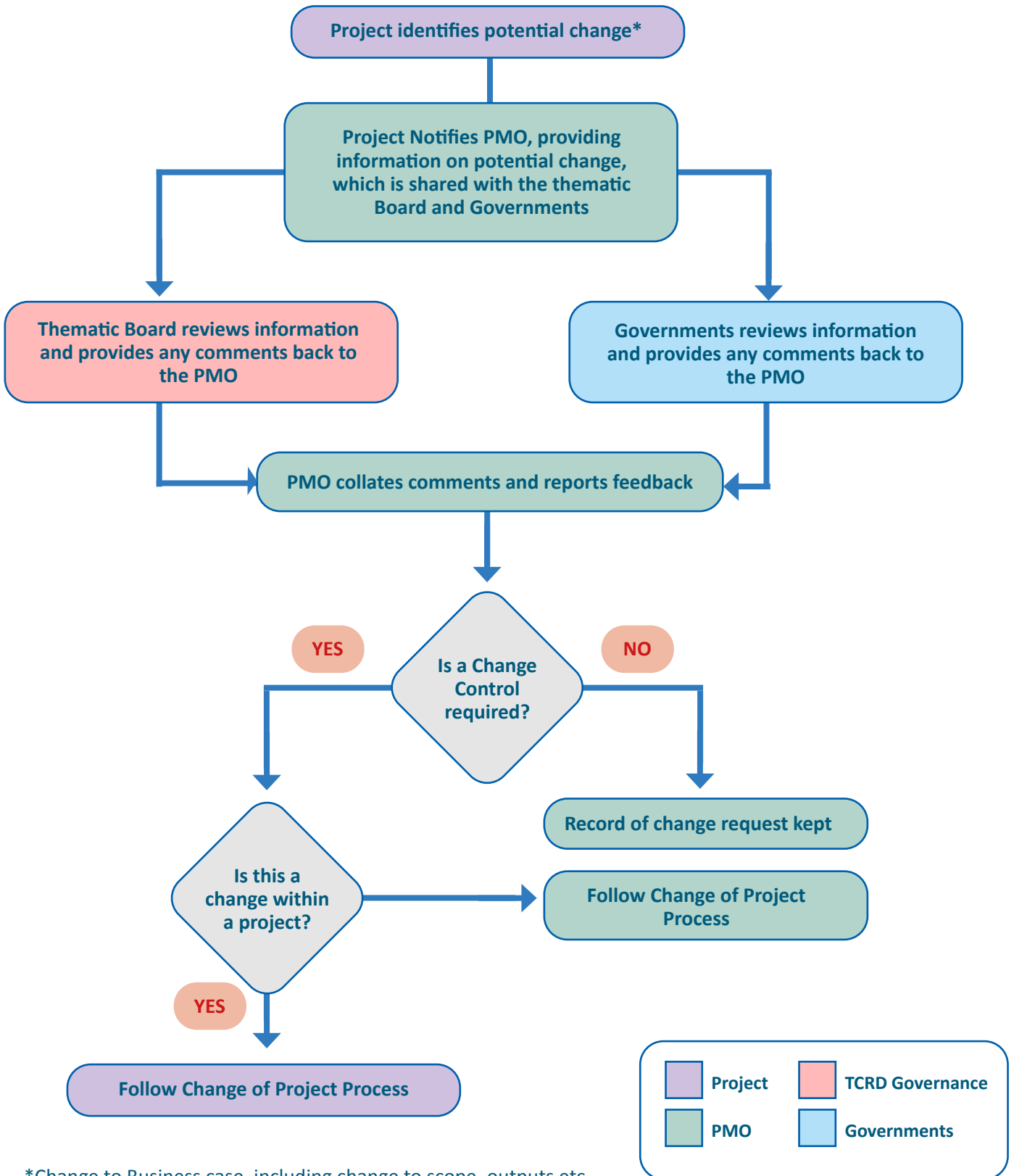
Output	Definition	Evidence
8. How has the project contributed to a more environmentally sustainable transport network?	An important gauge in the environmental sustainability of a transport network is the carbon emissions it generates. Carbon emissions quantification usually requires traffic modelling, although this may not always be necessary, depending on the project.	Evidence will be project-dependent, from a qualitative description for negligible carbon impact projects, to quantification based on traffic modelling for potentially significant carbon impact projects (e.g. sizable roads projects).
9. Detail how the project has contributed to any other areas of environmental sustainability, e.g. mitigating pollution, dealing with contamination, enhancing biodiversity, etc.	Environmental sustainability here is distinct from social or economic sustainability, which are covered by separate outputs.	Summary bullet points will suffice here. Evidence could include reference to an Environmental Impact Assessment (EIA) report or BREEAM certification if available. Other contributions towards environmental sustainability should also be highlighted here.

8. Appendix B – Tay Cities Region Deal Change Control Process

- 8.1. When a Project or Partnership identifies a potential project change, the project should provide information to the PMO to be forwarded to both the Thematic Board and Governments for review and comment. This will confirm if a change request is required from the project (See flow chart at Appendix A1).
- 8.2. Potential changes That could be identified by a project are those which would alter to any degree the terms of the agreements previously struck between UK and Scottish Governments and local partners. Such agreements are variously described within the terms of the Heads of Terms, the Full Deal, the terms of approved Business Cases, and the terms of the Grant Offer. For example, this could relate to scope, outputs or permanent underspend within a given financial year (See flow chart at Appendix A2).
- 8.3. If the potential change is a change within a project, then the project will complete a change request and provide to the PMO, who will forward to the Thematic Board and Governments for review and Comment.
- 8.4. Any feedback from the Thematic Board and Governments will be collate and presented to the Management Group for consideration along with the Change Request.
- 8.5. Where it is highlighted that a project is no longer considered viable or value for money, either by the project itself, or by the Partnership, then this should be reported to the PMO to initiate discussion with Governments. This would involve a discussion around the parameters of any replacement projects that could be brought forward by the partnership and would take account of the strategic priorities of both the Governments and Partnership at the time (See flow chart at Appendix A3).
- 8.6. Based on the parameters agreed with the Governments, the appropriate Thematic Board will be asked to review and propose alternative projects. Noting that the Governments may also suggest a replacement project.
- 8.7. The PMO and Governments will discuss and agree a proposed approach based on the recommendation from the Thematic Board, and will be subject to ministerial approval.
- 8.8. Following ministerial approval, the proposed replacement project(s) will then be presented to Management Group and Joint Committee for discussion and approval.
- 8.9. A change Log will be used to capture any potential project changes and the outcomes of any submitted Change Request.
- 8.10. It is recommended that the Change Control Process is reviewed annually to ensure that it is still fit for purpose.

Appendix B – Tay Cities Region Deal Change Control Process - Appendix A1

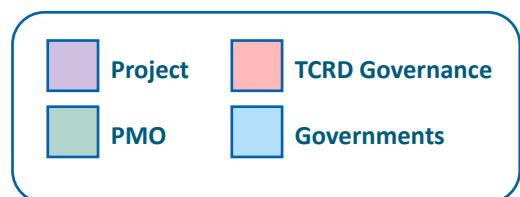
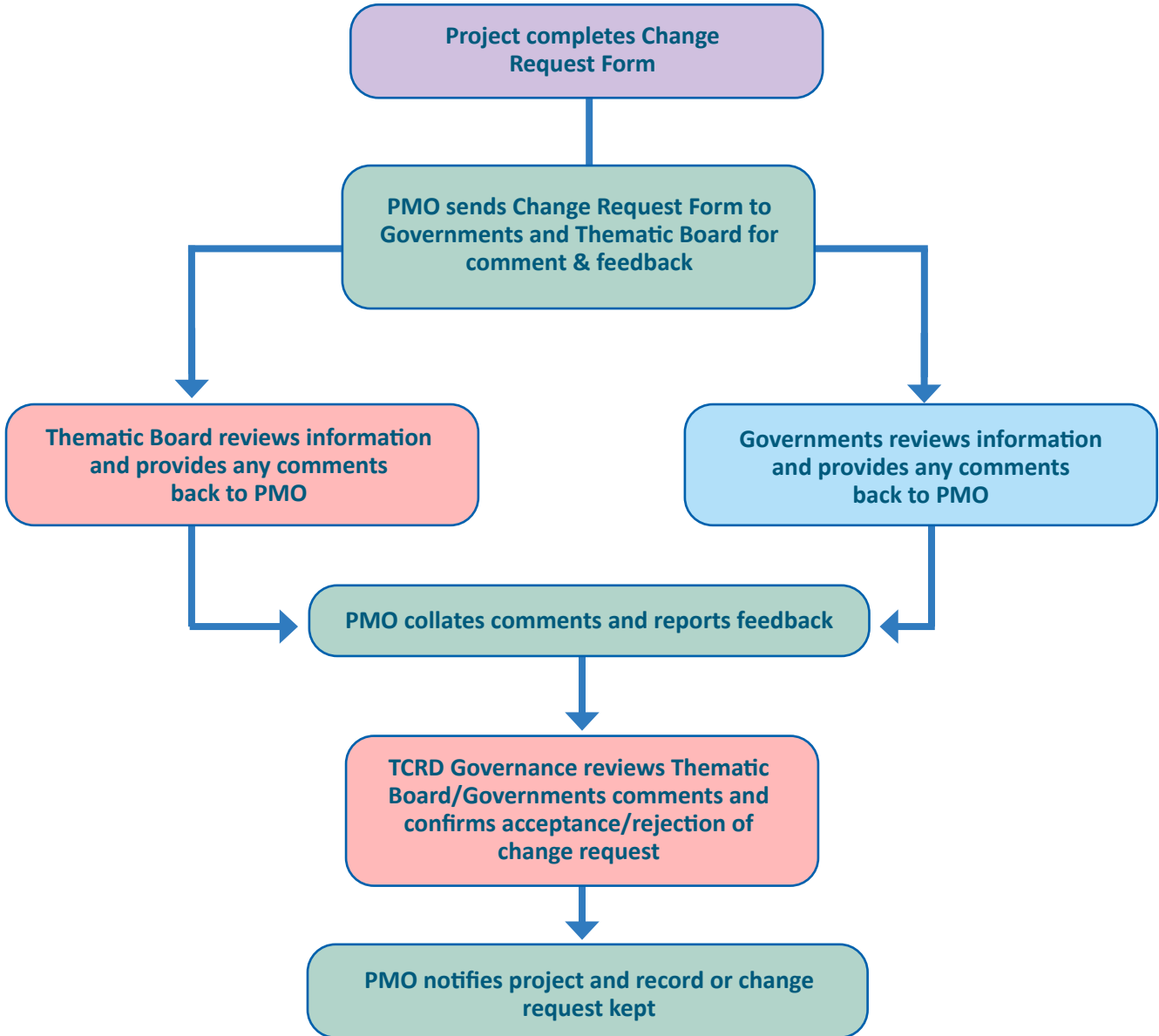
Confirming Change Control Required



*Change to Business case, including change to scope, outputs etc

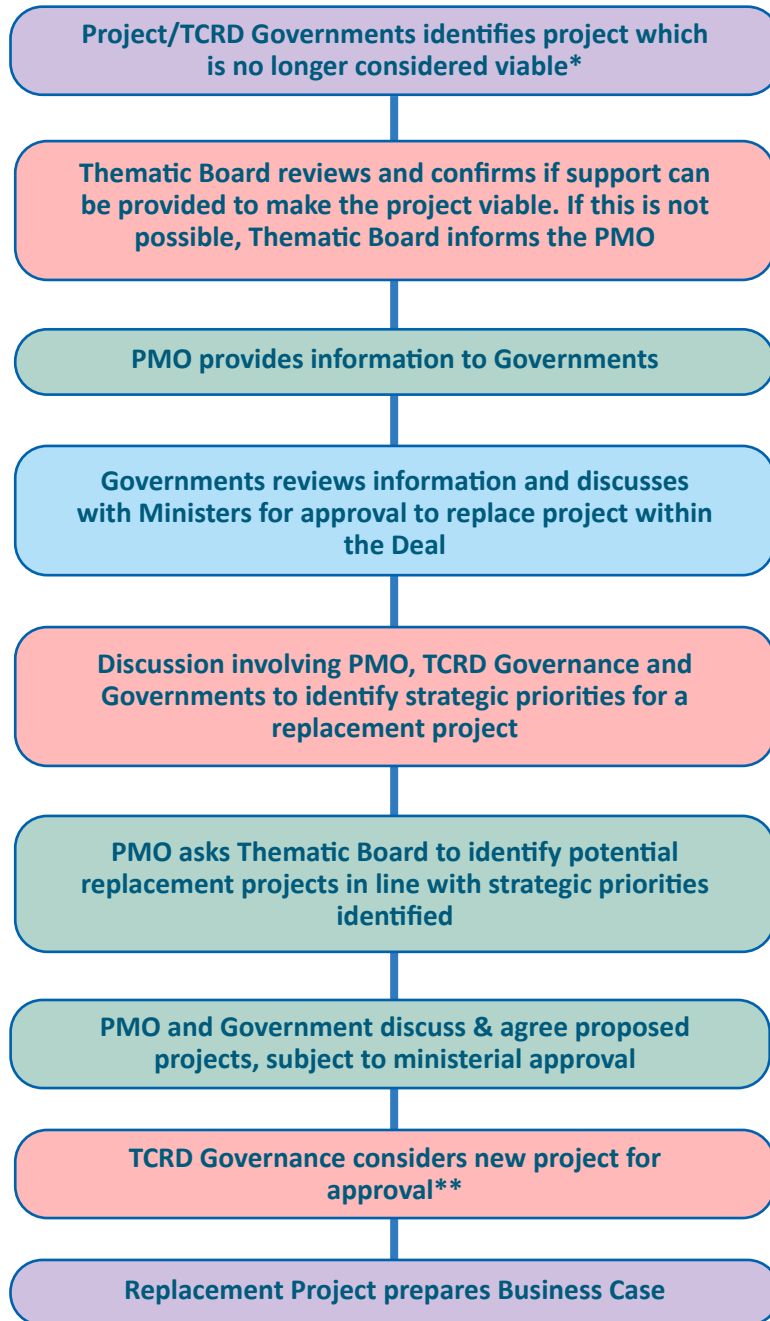
Appendix B – Tay Cities Region Deal Change Control Process - Appendix A2

Change within Projects



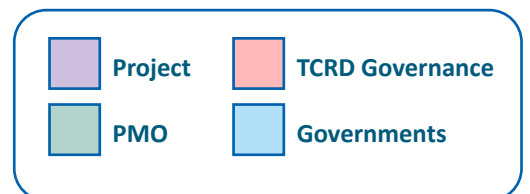
Appendix B – Tay Cities Region Deal Change Control Process - Appendix A3

Change of Project



*This may be a result of internal/external changes, or a change request being rejected by Governments and TCRD Partnership

**If TCRD Governance does not approve replacement project, then the Thematic Board will be asked to reconsider replacement projects



Appendix C: Reporting Template

The Benefits Realisation Plan reporting template will be incorporated in to the existing Quarterly Report template and shared with all Projects to complete.



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Tay Cities Region Deal

Inclusive Growth Statements



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Tay Cities Region Deal Inclusive Growth Statements

Tables 1 – 5 below sets out the inclusive growth Statement, by the Deal themes, for each of the Tay Cities Region Deal Programmes, Fund and Projects.

Table One: Skills Theme – Inclusive Growth Statements

Programme, Fund or Project name	Inclusive Growth Statement
<p>Regional Skills & Employability Development Programme</p>	<p>Fair work and inclusive, sustainable growth is at the heart of the Regional Skills and Employability Development Programme. Skills investment is central to the creation of quality and equitable employment opportunities by increasing personal capital and earning capacity, and many employees will see training and development opportunities to enter and progress in the workplace as part of a Fair Work package.</p> <p>The Programme will bring about the changes in skills and employability services that will make a positive, tangible difference to citizens, businesses and other stakeholders.</p> <p>The investment will drive up skill levels and productivity across the region through developing employment, training, and skills development opportunities. The Programme has four overarching objectives:</p> <ul style="list-style-type: none"> • Increasing the understanding and awareness of job and learning opportunities for our residents; • Putting in place the support required to help our more disadvantaged citizens succeed; • Opening new and diverse talent pools to businesses and demonstrating the value of inclusive employment practices; and • Enhancing the ability of partners to work collaboratively to build a more inclusive, innovative, and future-proofed job market. <p>The direct impact of this investment will be an incremental reduction in unemployment and economic inactivity among Programme beneficiaries across the region, employers reporting fewer skills shortages and gaps, and citizens able to access the training and employability support they need to succeed within the workplace.</p> <p>This includes continued improvement in the quality of outcomes for the most disadvantaged people in our region, greater diversity of talent within our workforce, and the reinvigoration of communities across the region.</p> <p>Successful delivery of the Programme and achieving the targets set will help create the conditions for making incremental contributions to the following wider benefits:</p> <ul style="list-style-type: none"> • A more inclusive and diverse workforce; • Reduced income inequality, equating to a fairer and more equal region; • A healthier population, given the established links between employment and positive physical and mental health; • A happier and healthier workforce, bringing improvements in terms of efficiency and productivity; and • Financial savings through reduced spending on Universal Credit and unemployment-related benefits

Programme Targets:

Targets	Phase 1 Projects total	Overall Programme total
Total number of beneficiaries	3,100	5,000
Quality and sustainable new job opportunities as a direct result of this Programme	28	50
Beneficiaries supported into sustainable (greater than 13 weeks), secure and quality employment	900	1,350
Businesses directly supported through this Programme	800	1,200
Number of businesses receiving support to 1) improve their understanding of the recruitment needs and challenges they face, and 2) increase their ability to access suitably skilled staff (as measured in the Employer Skills Survey)	600	900
Uplift in skills and employability - additional accredited training and skills improvements	450	675
Development of a pan-regional skills development and employability approach, built on enhanced cooperation, collaboration, and partnership working.	N/A - this will be measured through qualitative impacts (surveys, case studies, evaluation, etc.)	
In increasing workforce representation, the Programme will look to target specific underrepresented groups and those furthest from the labour market:		
Females - 50% of all beneficiaries	1,500	2,500
BME - 4% of all beneficiaries	100	200
Disabled - 10% of beneficiaries	300	500
Sustained increases in recruitment of and employability and skills development opportunities for people from deprived areas (i.e. intervention will target those furthest from the labour market across the region.	500	750

Programme, Fund or Project name	Inclusive Growth Statement
Regional Skills & Employability Development Programme	<div style="border: 1px solid black; padding: 10px; margin-bottom: 10px;"> <p>These figures have been arrived at based on the totals of individual projects which will be taken forward under Phase 1. N.B. Figures for BME and Disabled beneficiaries are a broad representation of the share of the total regional population with these characteristics. These have been arrived at through use of Annual Population survey data on NOMIS, and in conjunction with key regional partner insight.</p> <p>The number of beneficiaries likely to come from deprived areas is based on SIMD data and has been arrived at in discussion with partners.</p> <p>It is expected that, given the regional demographics and relative levels of deprivation, there is likely to be a relative geographic concentration of beneficiaries within certain areas of the region.</p> </div> <p>The following Phase 1 Projects are encompassed by the Regional Skills & Employability Development Programme. Phase 2 Projects are still to be confirmed.</p> <ul style="list-style-type: none"> • Skills Programme Manager Post • Digital Skills • Life Sciences – Biotechnology and Medical Technology • Supporting SME Skills • Hospitality Skills
Skills Programme Manager Post (part of the Regional Skills & Employability Development Programme)	<p>The Skills Programme Manager post will drive the strategic skills and employability agenda across the Tay Cities Region and enable employability and related skills services to work better collectively to realise a more co-ordinated approach to delivery and a more efficient, effective offer to service beneficiaries.</p> <p>As the Programme Manager will have a key role in linking projects and activities across all Tay Cities Region Deal themes and groups, the post will be able to ensure that the overarching inclusive growth targets of the Regional Skills & Employability Development Programme are realised. The Programme Manager will develop a Tay Cities Region programme to maximise skills development and collaboration between the four Local Authorities, third sector, employers and HE/FE institutions, enhancing the already strong relationships that exist. This will create a value for money and unified approach to skills delivery and will ensure that skills interventions are shared with employers and residents in the Tay Cities region. The Programme Manager will maintain regular and meaningful dialogue with skills providers, presenting opportunities created by the City Region Deal, actively promoting them and identifying potential areas of collaborative working and sharing of resources.</p> <p>The Skills Manager will direct activities at a granular level, attending Local Employability Partnerships and engaging key players to promote the benefits of a cohesive and collaborative delivery model that will benefit employers and residents.</p>

<p>Digital Skills (part of the Regional Skills & Employability Development Programme)</p>	<p>The Digital Skills project will 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.</p> <p>Phase 1 of the project will pave 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. Phase 2 activities will be addressed as the business case is developed.</p> <p>The project will work to ensure inclusive growth by focusing activity on under-served groups such as women returners, those with disability (including neurodiversity), those from the most deprived areas, and those in rural areas. Inclusive growth outcomes include narrowing the attainment gap; increasing rates of labour market participation among women; and narrowing the disability employment gap. The project is committed to widening the labour pool with digital skills across the region. There are also issues of gender representation present in the technology sector. Given the Regional Skills & Employability Development Programme level focus on inclusivity and ensuring equality of access to opportunities for everyone across the region, improving equality will be a feature of this project too.</p> <p>Quantitative targets for inclusive growth measures include:</p> <ul style="list-style-type: none"> • By the end of Year 3 (31 March 2025), over 180 individuals should be supported directly or indirectly through the activities • 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. <p>In terms of sustainable growth, it is expected that the project is likely to become operationally net zero (with no capital spend on equipment or construction), and therefore whole life carbon net zero.</p>
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<p>Life Sciences – Biotechnology and Medical Technology (part of the Regional Skills & Employability Development Programme)</p>	<p>The Life Sciences project seeks to establish a partnership between the three regional colleges – Dundee & Angus College, Perth College UHI and Fife College – to develop new and enhance existing course provision across a range of SCQF levels, to create new learning and career pathways for prospective learners and meet the skills needs of the growing biotech, biomedical and agritech sectors. The project will capitalise on emerging economic opportunities in the three sectors where there is a need for more than 400 new and replacement lab staff in the near future, in a range of positions from introductory scientific support, lab technician and lab management roles.</p> <p>The project will also address the problems and difficulties faced by the existing skills provision mechanisms, the biotech, biomedical and agritech sectors, and the Tay Cities Region economy in general, namely the:</p> <ul style="list-style-type: none"> • lack of skills and lack of up-to-date provision of education and training to support the growth of the biomedical and agritech sectors; • lack of inclusion within the sectors (e.g. BAME, those with disabilities, those from deprived areas); and • the growing productivity gap with Scotland. • The project recognises the long standing and multifaceted challenges and barriers that the labour market faces in terms of inequality, high levels of unemployment, and deprivation. The project has outlined specific objectives around skills, including aligning skills development with these key employment and growth sectors, and in applying the principles of Fair Work in all skills and training provision: • improving workforce skills, re-skilling and upskilling workers, tackling barriers to employment for disadvantaged groups, enhancing working life choices, supporting employer investment in workforce development and streamlining the skills system. <p>The Project has identified the following targets:</p> <ul style="list-style-type: none"> • 130 new enrolments on relevant courses • 83 Female enrolments • 32 Enrolments with disability • 48 Enrolments from most deprived 20% • 9 Ethnic Minority enrolments • 62 Work Placements
<p>Supporting SME Skills (part of the Regional Skills & Employability Development Programme)</p>	<p>The SME Skills project aims to bring the skills training potential from the colleges and universities together with business support agencies to improve the training and development offer to SME’s in the Tay Cities Region area. In line with Scottish Government’s ‘No One Left Behind’ approach, the core aim of employability support is to help people into good quality, sustainable jobs that will improve their life chances and in turn improve the employability and life chances of their children.</p>

	<p>By supporting employee retention and reduce “labour market churn” by investing in employees through training and skills development - helping to retain and motivating employees by signalling that the employer regards the employee as worth investing. This is particularly important for those from ‘harder to reach groups (for example, women returners, BAME, young people) and those that have come through the employability pipeline - as they are more susceptible to “falling out” of the labour market and back into unemployment.</p> <p>This approach is one that is inclusive and that promotes sustainability, prosperity and resilience, where businesses can thrive and innovate – contributing to the wellbeing economy.</p> <p>Specifically, the Project aims to generate the following inclusive growth benefits:</p> <ul style="list-style-type: none"> • Number of SMEs supported - 311 • Number of SMEs based in SIMD communities in top 20% most deprived - 58 • Number of individuals benefiting from training - 622 • Number of females benefitting from training - 310 • Number of people from BAME background benefitting from training - 17 • Number of people aged 16-24 benefitting from training - 69 • Number of disabled people benefitting from training - 62 • Number of people living in SIMD communities in top 20% most deprived benefitting from training - 116 • Increased GVA (gross) - £8.8 • Increased salaries (gross) - £4.2 • Number of SMEs paying/committing to paying the Real Living Wage – 311
<p>Hospitality Skills (part of the Regional Skills & Employability Development Programme)</p>	<p>The Hospitality Skills project is aimed at addressing the skills issues faced by employers across the Hospitality and Cultural Tourism sectors. This will bring the skills training potential from the colleges and universities together with industry partners to support in the attraction of a new and diverse workforce to the industry along with improving talent retention by enhancing the skills of those already employed within the industry across the Tay Cities Region.</p> <p>Complementing the Scottish Government’s ‘No One Left Behind’ approach, this skills provision will work alongside the broader employability support provision within Tay Cities to provide the industry focussed skills required to support participants into fair work, sustainable jobs offered within the Hospitality and Tourism sector.</p> <p>Targeting a greater diversity of workforce will create inclusivity and promote sustainability of skills, progression opportunities and employment that will increase the retention of workforce towards these industries. Sustainability will also be a key focus within the delivery approaches of the skills development provision with a combination of in person and hybrid learning together with process improvements which will lead towards a more efficient approach and create sustainability through a reduction in participant travel.</p>

	<p>Project Outputs</p> <ul style="list-style-type: none"> • Support additional 200 people into employment across the region (proportion of the overall Regional Skills & Employability Development Programme). • Reduce the percentage of employees in the Tay Cities Region which are paid less than Real Living Wage, working to align with the Scottish average. Hospitality sector to achieve 90%. • Number of businesses supported - 200 • Number of individuals trained – 2,000
<p>Aviation Academy for Scotland</p>	<p>The Aviation Academy for Scotland (AAS) project will work in support of the Tay Cities Skills and Employability Development Programme to deliver Fair Work. AAS training and education programs will reduce the aviation industry skills shortage and gaps. Incremental system-wide improvements will be delivered to ensure Inclusive Growth, boosting the flow of individuals from disadvantaged groups.</p> <p>The AAS will:</p> <ul style="list-style-type: none"> • Build a larger supply of more appropriately skilled new entrants to the workforce and broadening the diversity of those choosing the aviation industry as a sustainable career path. • Reduce economic inactivity and tackle obstacles to employment for disadvantaged groups by providing opportunities for those furthest from the employment market. • Enhance entrepreneurial skills for business start-ups and small business growth and resilience. • Be part of the development of a skills system that is characterised by greater agility, inclusivity and resilience. <p>All partners actively encourage a diverse target audience into the industry including actively encouraging young people and those with protected characteristics to engage in the STEM subjects, increasing the likelihood of becoming future employees within the aviation industry.</p> <p>In terms of sustainable growth, the environmental impact of the capital developments within the project are being fully considered. Partners are exploring options for key project infrastructure investments including new-build, refurbishments and equipment to reflect sustainable sources of energy. Other measures include opportunities to implement continuous process improvements in the construction works, with the aim of reducing pollution and the amount of construction, demolition and excavation waste going to landfill. Balancing in person and hybrid delivery models will encourage an improved carbon footprint across the project.</p>

Tay Cities Engineering Partnership

The Tay Cities Engineering Partnership (TCEP) will forge new levels of collaboration between industry and education to develop existing expertise, accelerate the pace of research and development (R&D), and crucially, to deliver benefit to businesses and the economy. TCEP brings together the expertise of key private and public engineering facilities across Tayside in a new collaboration that will drive up the skills and technology base of the sector to become more competitive in an international marketplace and to meet the skills demands of new emerging green technologies.

There were 740 businesses generating around £850 million to the Tayside economy in 2018 (around 14% of Tayside's output in that year). Over the last couple of years, the economic and business environment has changed significantly, placing more importance on innovation and skills.

Quantitative targets for inclusive growth measures - TCEP support inclusive growth by delivering its objectives to:

1. Create a state-of-the-art centre for training, demonstration and product prototyping
 - Delivery of 600m2 Engineering and Advanced Manufacturing Centre of Excellence in Arbroath
 - Delivery of 2 Product Innovation Lab in Perth 2.
2. Increase productivity in the engineering and manufacturing sector
 - Increase turnover of companies engaging with TCEP by 3% within five years of their engagement
 - Signpost 4 companies to the PIL by year 5
3. Increase the uptake of companies using digital technologies and advanced manufacturing techniques for design, prototyping and POC
 - 20 companies undertaking projects through TCEP by year 5
 - 50 companies accessing the demonstrator space at the Centre of Excellence by year
 - Mobile Engineering Technology Unit accessed by 20 businesses
4. Increased awareness of career and employment opportunities in the engineering and manufacturing sector
 - The proportion of females accessing engineering related courses will increase by 15%
 - Mobile Engineering Technology Unit to visit 100% of schools located in the top 20% most deprived areas in the Tay Cities Region by year 3
 - Engage with 10,000 school pupils by year 5, including 100% of females in S3
5. Increase in those gaining vocational/non vocational qualification in alignment with industry needs
 - Deliver 10 industry specific new training courses (delivered by all partners) by year 5
 - Increase D&A College part time engineering student numbers to 600 and full-time engineering students to 500 by year 5.

TCEP will support the inclusive growth agenda by helping to establish the skills and training infrastructure for the future needs of the sector and safeguarding existing jobs. It will align with and support some of the other projects within the Deal in realising their inclusive growth targets, such as the SME Project.

Table Two: Innovative, International Theme – Inclusive Growth Statements

Programme, Fund or Project name	Inclusive Growth Statement
Growing the Tay Cities Biomedical Cluster	<p>The Biomedical Cluster project seeks to catalyse a step change in the innovation led growth of the biomedical sector in the Tay Cities Region. The project seeks to unlock community benefits during the capital infrastructure programme and throughout the long-term operational delivery of the project, including local supplier development and local employment opportunities, particularly targeting those from disadvantaged groups and new entrants to the job market. The project will support new apprenticeships, meaningful work placements, and skills training. Equality and diversity policies underpin the project values from the outset, including the design and procurement of infrastructure through to career mentoring and engagement with local communities. A long-term ambition is to encourage and raise the diversity of entrepreneurs in the regional life science sector. In terms of sustainable growth, the environmental impact of the capital development has been fully considered. Investment is being made in a sustainable source of energy for key project infrastructure. Other measures include improvement of waste management systems, with the aim of reducing pollution and the amount of construction, demolition and excavation waste going to landfill.</p> <p>Quantitative targets for inclusive growth measures during the construction phase include:</p> <ul style="list-style-type: none"> • 75% of spend retained within 40 miles of Tay Cities Region; 40% within 20 miles; 20% within 10 miles. • 6 new apprenticeships completed within the contract period • 5 new employees targeted from disadvantaged groups within the contract period • 60 weeks of meaningful work placement and 350 weeks of on-site skills training • 4 engagement events and support activities.
International Barley Hub	<p>The International Barley Hub (IBH) will be a world-class, state of the art, contemporary plant science innovation hub and translational research centre of excellence. The IBH will promote Scientific Discovery, Innovation and Internationalisation, supporting cereal growers, brewers, distillers, the knowledge economy and innovative new business in Tayside enhancing the production and alternative uses of premium quality barley.</p> <p>The Project is committed to promoting equality and inclusion in all our activities, whether this is related to the work that the James Hutton Institute does with external stakeholders or whether this is related to their responsibilities as an employer. The Project also seeks to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations when making decisions and developing policies.</p> <p>To ensure that the built infrastructure complies with all accessibility requirements it is a key criteria being followed by the appointed design team. The Project follows the principles of the WELL Building Standard, although without gaining formal certification of the scheme. The WELL Building Standard focuses design of buildings that should be developed with people's health and wellness at the centre of design. The standard takes a holistic approach to health in the built environment addressing behaviour, operations and design.</p>

	<p>During the construction phase, the lead contractor has made the following Social, Economic and Environmental commitments as they deliver their element of the project:</p> <ul style="list-style-type: none"> • Ensure Fair Payment: We pay 100% of tier 1 suppliers within 19 days of certification. • Engage with local contractors: We hold local “Meet the Buyer” events providing access to opportunity for local contractors. • Provide opportunities for local people: 75% of on-site labour will be sourced from within 40 miles of the project. • Support SMEs: 85% of the project spend will be with SMEs. • Support local, smaller companies: 10% of the engagement and spend will be with Micro Businesses (as defined in EU law – less than 10 employees and less or equal to £1m turnover) from the local area. • Encourage diversity: A minimum of one Social Enterprise from the area will be employed. • Upskill, engage and support youth employment: A range of opportunities to improve Employment and Skill in the area. • Deliver for the Environment: We will put in place a biodiversity action plan and offset our site gas, electricity and gasoil operations.
<p>Advanced Plant Growth Centre</p>	<p>The Advanced Plant Growth Centre (APGC) is an innovation centre that will place Tay Cities Region at the heart of the emerging disruptive global technologies of total controlled environment agriculture and help to create new technology industries and enhance existing agri/horticulture systems across the full supply and value chains. The APGC will ensure that Tayside, Scotland and the UK become globally recognised for research on protected and total environmental control crop production and crop storage.</p> <p>The James Hutton Institute are committed to promoting equality and inclusion in all our activities, whether this is related to the work we do with our external stakeholders or whether this is related to our responsibilities as an employer. We are also required to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations when making decisions and developing policies. To do this, it is necessary for us to understand the potential impacts of our internal and external activities on different groups of people. This is ensured through an Equality, Diversity and Inclusion Committee. The Committee meet on a regular basis to monitor all equality, diversity and inclusion matters.</p> <p>Also lead by the James Hutton Institute, the APGC is following the same inclusive growth approaches as the International Barley Hub project. Whilst the Advanced Plant Growth Centre is a separate Project to the International Barley Hub, the two are integrated as part of James Hutton Institute activities and the same policies and procedures are in place.</p>

<p>Angus Fund</p>	<p>The Angus Fund will be used to stimulate Angus Council's Mercury Programme, the purpose of which is to "increase productivity through clean growth, protecting places for future generations to live, work and visit".</p> <p>By providing support for investment and growth in innovative key sectors of the local economy, such as offshore wind, low carbon technologies, agriculture and food and drink, the Angus Fund will support additional higher value skilled jobs alongside reskilling and training opportunities particularly targeting those from disadvantaged groups and new entrants to the job market.</p> <p>Industries being targeted for investment will be reviewed to identify inherent equality issues, for example gender unbalanced workforces, and appropriate targets/activity will be designed to address such issues.</p> <p>Angus Council will maximise the opportunities to support local communities through procurement, taking into consideration the principles of Community Wealth Building, and will incorporate/link skills and employability aspects to projects, e.g. specifically targeting those from disadvantaged groups.</p> <p>Quantitative targets for inclusive growth measures will be identified as each project within the Fund develops to OBC and FBC stage. However, by way of example, targets being considered include:</p> <ul style="list-style-type: none"> • A target for local spend • A commitment to promote fair work practices, including paying the real Living Wage, in employment opportunities arising from projects • Creation of apprenticeships through capital builds • Creation of higher value skilled job opportunities and access to skills development.
<p>cyberQuarter</p>	<p>Abertay University is a leader in Scotland in enabling access to university for students from disadvantaged backgrounds. This is front and centre of the University's strategic plan for 2020-25, and has heavily informed our TCD project. The cyberQuarter will contribute to inclusive growth by supporting the development of digital skills, and through business start-up and scale up in both cybersecurity and companies in other sectors.</p> <p>Cyber security roles are high wage jobs. There is currently a skills shortage and demand for people with these high level digital skills is increasing. The physical cyberQuarter facility will act as a 'beacon' for the cyber security industry in the region, increasing aspiration among the local population and showcasing clear routes to local opportunities. The cloud computing infrastructure developed by Abertay University to support the cyberQuarter project provides scalable capacity for offensive cyber security online learning. This virtual 'hack lab' enables learning and development, a secure environment for applied development and testing of new digital products/services.</p> <p>However, the cyber sector workforce is not currently diverse, and regional challenges in school attainment and progression disproportionately impact on career pathways into computing science and cyber security. The project will work with schools and third sector organisations to support awareness of digital skills and cyber careers, and support upskilling and reskilling initiatives to offer a range of pathways to high level digital skills linked to cyber security and ethical hacking.</p>

	<p>The cyberQuarter will kickstart research, innovation and knowledge exchange activities in digital technology sector, and in other sectors experiencing digital transformation. By proactively targeting the uptake of knowledge exchange and academic-industrial collaboration at non-cyber sectors, we can support growth in sectors which are more likely to be diverse than the cyber or wider digital sectors. The Abertay cyberQuarter Business Development Plan has clear actions and deliverables in relation to engagement with non-cyber companies around knowledge exchange and innovation.</p> <p>The cyberQuarter project has refurbished an existing building rather than a new build. Renovation projects usually save between 50–75% of embodied carbon emissions compared to constructing a new building. We have further sought to minimise emissions by reusing and recycling materials and equipment already within the building and are actively considering the installation of photovoltaic tiles on the roof of the Bernard King Library which will support cyberQuarter operational energy requirements. We have maximised the use of local supply chains wherever possible – for example, office furniture and local labour force in construction.</p>
<p>Just Tech</p>	<p>The project seeks to catalyse a new innovation led economic cluster for the Tay Cities Region which develops and leverages the demonstrable local strengths and convening power at the interface between science, law and deployable technologies for operational use within the justice system.</p> <p>The project will deliver community benefits specifically during the capital infrastructure programme and throughout operational delivery for the facility, including, but not limited to, local supplier and supply chain development and local employment opportunities. Those from disadvantaged groups across the region will be targeted, opening up new opportunities for entrants to the job market in an emergent growth area. The project will support new work placements in the law and justice space, new collaborations and engagement opportunities for local industries and develop skills training across local and regional communities.</p> <p>Equality and diversity policies will underpin the project values from the outset, including all stages of the design and procurement of infrastructure, engagement with local communities bringing them into the heart of the project in all design phases and, once operational, the development and delivery of end to end career mentoring to facilitate the realisation of personal and professional developmental goals across all sectors of the community. A long-term ambition is to raise the degree and diversity of active public and community engagement across this new and exciting regional economic cluster as well as ensuring that diversity across the entrepreneurial and innovation community in this emergent growth area, are emphasised and realised.</p> <p>Quantitative targets for inclusive growth measures during the construction phase seek to include 75% of spend retained within 40 miles of Tay Cities Region; 40% within 20 miles; 20% within 10 miles.</p> <p>In addition, Just Tech will:</p> <ul style="list-style-type: none"> • Support new apprenticeships completed within the construction phase and contract period • Target employees from disadvantaged groups within the construction phase contract period • Support meaningful work placement and on-site skills training the construction phase • Deliver engagement events and support activities for local communities from across the region will be ongoing

<p>Perth Innovation Highway</p>	<p>For the Perth Innovation Highway project, the procurement of infrastructure works will be subject to the procurement regulations of Perth & Kinross Council. These regulations are in turn subject to the Equality Act 2010 and the Authorities' socioeconomic duty to adopt transparent and effective measures to address inequalities in the local economy. This will ensure that the short-construction employment enabled by the project will afford equal opportunity for women, disabled people, ethnic minorities, and people from the region's most deprived communities.</p> <p>In the ongoing development and operation of the wider site, the project will contribute towards the inclusive growth of Perth and the wider Tay City region through:</p> <ul style="list-style-type: none"> • Demand: creating the conditions that enable job creation and better opportunities for employment. Specifically, the project will unlock 11 hectares of employment land designed to support innovative logistics and mobility organisations that are anticipated to offer a range of skilled employment opportunities; and • Supply: bringing together a triple helix model of innovation including academic partners such as the University of Edinburgh, that can better connect people to job opportunities by improving their basic skill levels that will enable them to access those employment opportunities. • Engagement: in line with the Skills Investment Plan, the project team will engage with the Developing Young Workforce (DYW) Perth and Kinross to understand how they might engage students or young adults with 'personal challenges, or who may be at risk of a negative destination'. In addition, PKC, through its Employability and Fair Work programmes will ensure that every effort is made to ensure the investment can benefit women, disabled people, ethnic minorities, and people from the areas most deprived communities. Initially this will be through the construction phase of the project, using procurement levers established by PKC to ensure that companies engage with the DYW and the Councils Employability and Fair Works programmes. During the 'operational' phase of the site, PKC will be responsible for developing an occupier profile which has an inclusive growth arrangement that occupiers will be requested to adhere to. Post monitoring and evaluation through the projects Benefits Realisation Plan will monitor occupier employment profiles to assess the impact of the request.
<p>Studio Dundee</p>	<p>The detail as to how the Studio Dundee project will contribute to inclusive growth is still being considered as part of the business case development. However, as a Dundee City Council project, this initiative will look to maximise community wealth building opportunities during the capital infrastructure programme and throughout the long-term operational phase of the project. This will include local supplier and employment opportunities, particularly targeting social inclusion for those from identified groups and new entrants to the job market. The Project will support new apprenticeships, work placements, and skills training where appropriate. There will be a key focus on the skills and employability in the digital sector for the project.</p>

<p>Advanced Manufacturing Programme</p>	<p>This Programme seeks to support a range of impactful projects via an open call-based approach to assist in drawing out industry and academia in their views of the issues/challenges facing the advanced manufacturing sector and potential solutions. This includes low levels of R&D investment and a need for greater collaboration in relation to the Industry 4.0 agenda around use of data, automation, artificial intelligence and robotics.</p> <p>Each application for funding will be expected to contribute to the inclusive growth agenda and set out how it will address issues, such as poor female representation in manufacturing, skills shortages, low levels of productivity, lack of higher paid skilled jobs, etc.</p> <p>Each application for funding will be expected to address how the project will unlock community benefits through the capital investment, including local employment opportunities or local supplier development. The application will need to assess the environmental impact of suggested capital investments as well as how the project outcomes will contribute to Net Zero ambitions.</p> <p>Quantitative targets for inclusive growth measures are not available at this time, but will be included in each application for funding and are expected to include:</p> <ul style="list-style-type: none"> • New employees, new apprenticeships, from disadvantaged groups • Skills training • Engagement with wider supply chain
<p>Eden Campus</p>	<p>The Innovation Hubs at Eden Campus, the University of St Andrews, intend to develop strong connections with regional and international businesses to produce a step-change in the commercialisation of their research and development. In the longer-term this innovation collaboration will help deliver better quality jobs in Tay Cities. Eden Campus has already started to work with Women's Enterprise Scotland and the Women's Business Station in Dundee as part of their activities to tackle the gender gap in new business start-ups and business leadership. The University is promoting women's entrepreneurship to donors to build a network of practical supporters.</p> <p>For example, WES have had initially discussions regarding locating at Eden Campus, which is pending the outcome and development of Enterprise Hub. The WBS is also pending the completion of the Enterprise Hub at Eden Campus. Furthermore, an Entrepreneurship Centre opened at Eden Campus Sept 2021: 2 cohorts have completed FastStart immersive training courses. Two further courses entitled 'Steps to Start Up' have also been completed. In addition, a speaker series drawing upon the experiences and expertise of established entrepreneurs has been established. Across these initiatives the take up from women was:</p> <ul style="list-style-type: none"> • FastStart – 46 women • Steps to StartUp – 7 women • Speaker Series – 2 women <p>This University will also look to ensure that the opportunities created will provide a wide range of community benefits through work placements, apprenticeships, supply chain development and local job opportunities. The University has developed the Guardbridge Guarantee that is driving this approach.</p>

	<p>At Eden Campus, the University, its tenants and partners will also look to ensure that all partners work towards the Fair Work principles and pay the Real Living Wage. The University will also encourage and support adoption of the Scottish Government’s Business Pledge in its lettings policies.</p> <p>Furthermore, the Project will work with local bus operators to increase the frequency of bus services servicing Eden Campus. This is intended to make it easier for individuals and Protected Groups to access work and enterprise opportunities at Eden Campus.</p> <p>Together with the contractors for the development of Eden Campus and shared with Scottish Enterprise, a number of quantitative targets have been established from the onset of the project. For example:</p> <ul style="list-style-type: none"> • Local Spend (proportion of spend with our supply chain within the local area – target is 75% within 40 miles) • Local Labour (proportion of labour working on the project within the local area – target is 75% within 40 miles) • SME Spend (proportion of spend with small to medium enterprises – target is 85%) • SME Engagement (proportion of supply chain engaged that are SME’s – target is 85%) • Micro Business Spend (proportion of spend with MB’s – target is 10%) • SME Engagement (proportion of supply chain engaged that are MB’s – target is 10%)
<p>Stretch Dome Simulator</p>	<p>The Stretch Dome Simulator is an integral part of Eden Campus; the inclusive growth priorities for the Campus are embraced by constituent projects such as the simulator. The Project will contribute to the following:</p> <ul style="list-style-type: none"> • Developing a Global Cluster of Excellence – The Innovation Hubs delivered by Tay Cities Region Deal investment in the Further and Higher Education Sector, including Eden Campus, intend to develop strong connections with regional and international businesses to produce a step-change in the commercialisation of their research and development. In the longer-term this innovation collaboration will help deliver better quality jobs in Tay Cities. A recent example, is the development of a cluster of 15 European companies operating in the district heating networks supply chain. These companies are interested in exploring how the simulator can create district heat models to benefit rural communities across Europe. • Closing the Gender Gap – Eden Campus has already started to work with Women’s Enterprise Scotland and the Women’s Business Station, Dundee as part of their activities to tackle the gender gap in new business start-ups and business leadership. The University is promoting women’s entrepreneurship to donors to build a network of practical supporters. • Community Benefits from Procurement – The planned capital investment in Eden Campus will provide a significant boost to the Scottish construction sector. The University will look to ensure that the opportunities created will provide a wide range of community benefits through work placements, apprenticeships, supply chain development and local job opportunities. The University has developed the Guardbridge Guarantee that is driving this approach. • Fair Work – At Eden Campus, the University, its tenants and partners will also look to ensure that all partners work towards the Fair Work principles and pay the Real Living Wage. The University will also encourage and support adoption of the Scottish Government’s Business Pledge in its lettings policies. • Connectivity and Access – The University is working with local bus operators who have increased the frequency of bus services servicing Eden Campus. These bus services run between St Andrews, Cupar, Leuchars and Dundee. This is intended to make it easier for individuals and Protected Groups to access work and enterprise opportunities at Eden Campus.

Project Beacon	<p>Project Beacon will provide a whole system innovation in the capture, improved management and valorisation of post-consumer plastics in Tay Cities Region. The concept is designed for regional deployment and is globally, highly transferable.</p> <p>The project will create good quality local employment opportunities in a development of technological diversity and innovation. Particularly emphasis will be given to the creation of opportunities for disadvantaged groups and new entrants to the job market. Project Beacon will also support the early-stage development of a Clean Tec Training and education Facility at the Binn Eco Park. The company will also contribute directly to the Community Benefit fund at the Binn Eco Park. This focus on community benefit is a core component of the industrial ecology of the Binn Eco Park and is fully supported by Project Beacon.</p> <p>The project programme will seek to utilise local supply chains throughout the immediate capital development and long-term operational delivery of the project. Part of the aim of the facility is to foster UK and international links on research and new technology testing to encourage entrepreneurial solutions to the global plastic waste crisis. As a direct clean technology intervention one of the project's main aims is to reduce the environmental impacts of plastic waste including the reduction of carbon emissions from its post-consumer management. The facility operates on renewable energy private grid.</p> <p>Quantitative targets for inclusive growth measures during the construction phase include:</p> <ul style="list-style-type: none">• A minimum £25,000 per annum contribution to the community fund.• 2 new apprenticeships completed within the project development contract period• 4 new apprenticeships created in the first 2 years of operation.• 2 full time equivalent employees from disadvantaged and 2 from disabled groups within the first two years of operation.• Creation of work placement opportunities (as yet at an undetermined level)• Organise up to 8 engagement events and support activities in the first 4 years of operation.• Support local plastic manufacturing opportunities.
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Table Three: Culture & Tourism Theme – Inclusive Growth Statements

Programme, Fund or Project name	Inclusive Growth Statement
<p>Regional Culture & Tourism Investment Programme</p>	<p>With up to £37m investment from the Scottish Government, the Regional Culture and Tourism Investment Programme will build on and strengthen the existing culture and tourism offer within the region making it a year-round attractive destination of choice. As part of the Programme, Projects will contribute to inclusive growth by supporting local people and attracting new workers into the sector, particularly those from disadvantaged groups, as well as supporting the upskilling and re-skilling of existing workers. This will also mean that projects will contribute towards the commitment to move towards support of the Fair Work Agenda and link with regional skills and employability opportunities.</p> <p>The Programme, and its Projects, will support the region to continue to build creative industries capacity and reinforce culture-led regeneration. This will in turn enable the region to link cultural engagement with quality of life and increased local ambition that could be used to inform future development and investment decisions regionally and across Scotland.</p> <p>As part of the prioritisation and selection process for the Projects, Projects are expected to demonstrate inclusive growth including for example a commitment to community, increasing participation through volunteering, demonstrating community-led business models and ownership and a clear statement towards addressing social inclusion. The details of inclusive growth commitments will be set out within Project business cases as they are developed, and as they move in to the delivery phases.</p> <p>Hospitalfield, Discovery Point Transformed, Comic Centre, Tay Adventures and HMS Unicorn make up the Regional Culture & Tourism Investment Programme, for up to £27m investment.</p> <p>The other £10m has been committed to Pitlochry Festival Theatre.</p>
<p>Hospitalfield (part of the Regional Culture & Tourism Investment Programme)</p>	<p>Hospitalfield is a unique and valuable cultural asset in Angus – the Project’s vision is to ensure that it is developed to ensure public benefits by:</p> <ul style="list-style-type: none"> • Making Hospitalfield’s building and gardens part of a high-quality experience for visitors • Creating a destination in Angus and for the region for food and drink with easy access for visitors • Developing a cultural place that supports people at all stages of life, encouraging them to participate in arts, heritage, horticultural and food programmes. These will be aimed at young people and the older isolated generation to improve wellbeing. <p>Hospitalfield has an engagement programme with a dedicated staff member who works on the engagement and volunteer programme, including the following. There is the potential within the collections and gardens to expand the existing programme of work as the asset invests in the physical facilities over the coming years.</p>

1. Volunteers:

a) volunteer garden club which includes a wide range of people from different age groups. This opportunity serves a number of purposes, from exercise to sense of purpose to mental health support.

b) volunteer collections group that meets once a week, who focus on care of the collections at Hospitalfield. The purpose of the group is for people to meet and work together, especially older people, and opportunities for continual learning.

2. Arts Programme:

a) working with local primary and secondary schools, including the annual graduation procession and in relation to Hospitalfield's artist residency programme.

b) work experience opportunities for both secondary school leavers and for graduates

c) running a number of artist commissions that are long term engagement programmes.

Hospitalfield is also the lead partner in the Angus Place Partnership which is a funded scheme with Creative Scotland. From this the Project are working on a wide range of programmes across the region and have formed many partnerships with agencies such as Historic Environment Scotland, the National Trust, Angus Council and Angus Alive.

With regards to wellbeing, the Hospitalfield Trust work with a number of agencies including:

- Angus Carers – with long term carers and young carers we are just starting to work with them on their focus on the elderly.
- Gowanlea – including succeeding in providing paid roles for some of Gowanlea's clients
- Walking –funded through Paths for All which initiated an elderly walking group which has evolved to become our Meander Group
- Tayside Healthcare Arts –developing programmes for those who are long term sick to work in the gardens and with artists on a range of horticultural programmes.

In addition, the Project will create at least 13 new jobs of which some will require specific skillsets. This will potentially bring new people to work in the region. The Project will work with local colleges to support the training of students. Through learning and engagement programming, the enhancements to Hospitalfield will also contribute to the experience of living and working in Angus forming partnerships with schools and colleges so ensuring that we work with all primary and secondary schools in Arbroath and with other schools and colleges across the region.

Hospitalfield have a strong relationship with the higher education sector, largely through partnership working with educational institutions for work experience. There is also an established relationship with the University of Glasgow, Edinburgh College of Art and Leicester University (Museums Practice).

As an organisation, Hospitalfield are committed to building capacity and resources to engage with the education sector to provide further training opportunities.

<p>Discovery Point Transformed (part of the Regional Culture & Tourism Investment Programme)</p>	<p>Project Owner, Dundee Heritage Trust (DHT), has a long-standing commitment to inclusive growth and through the Discovery Point Transformed project will further this through multiple channels. The project seeks to deliver community benefits during both phases of its execution.</p> <p>During Phase 1, the Project Owners have worked with local building contractors and suppliers to both deliver the building programme and provide employment. As Phase 1 is now completed, DHT's Education and Outreach team is activating community relationships to ensure that the Discovery Dome will be accessible at low or no cost to diverse audiences of all ages from socially and economically challenged backgrounds, including school students, using the indices of poverty to measure impact.</p> <p>Discovery Point's starting position pre-Covid was 3,000 community participants and 8,000 school students. It's offer, staffing levels and budget were materially hit by Covid and we aspire to build back to these levels in a post-Covid environment. The full project, incorporating both phases, will allow the Project to expand its existing volunteer base from the local community, creating roles in guiding, visitor engagement, event delivery and ship maintenance. Dundee Heritage Trust will be attending the University of Dundee's Freshers Fayre with a view to attracting volunteers. Having seen a reduction in the number of elderly volunteers during the Covid pandemic, DHT are actively reaching out to the diverse communities of Dundee to build partnerships and encourage volunteering from those communities.</p> <p>As part of Phase 2, DHT is addressing and correcting significant energy inefficiencies and is working to adapt the Discovery Point building from EPC G in use, targeting the achievement of a very good or better BREEAM grading and making use of the new spaces created during Phase 1.</p> <p>Current quantitative targets for inclusive growth include:</p> <ul style="list-style-type: none"> • Achievement of a very good or better BREEAM grading from EPC G in use. • A 10% increase in the volunteer pool/number of volunteer hours • An increase in school student/family/attendance back to pre-Covid levels (including comp attendances for challenged students and communities)
<p>Pitlochry Festival Theatre</p>	<p>Pitlochry Festival Theatre is a leader in Scotland in enabling access to theatre and the performing arts to people of all backgrounds. This is central to Vision 2021. The Project places people at the centre because people make the Theatre.</p> <p>Throughout the capital infrastructure programme and the continued operational delivery of the project, Pitlochry Festival Theatre will strive to maximise the benefits to our community. This includes a commitment to providing local employment opportunities, engaging with local suppliers, and supporting local assets. A particular emphasis will be given to providing employment and training opportunities to those from diverse and/or disadvantaged groups, which is a key objective of the Theatre's own Equalities, Diversity and Inclusion framework. Groups are identified and targeted through direct marketing, engagement with relevant community groups and actively seek employment applications from diverse and/or disadvantaged groups.</p>

	<p>The environmental impact of Vision 2021 has been fully considered, and meaningful steps have been taken to ensure we deliver sustainable growth. Pitlochry Festival Theatre has been removed from the gas supply network, replacing gas heating with air source heat pumps. Further investment will be made towards sustainable development, to realise our ambition of being carbon neutral by 2035.</p> <p>Quantitative targets for inclusive growth measures during the construction phase may include:</p> <ul style="list-style-type: none"> • Appointment of contractors from within a set distance framework of the Tay Cities Region • Apportion a percentage of spend to be retained within a set distance framework of the Tay Cities Region. • We will commit to a set number of weeks to provide meaningful work placements • We will commit to providing a set number of meaningful employment opportunities from diverse and/or disadvantaged backgrounds. <p>Pitlochry Festival Theatre will further define these quantitative targets once we have appointed the design team for phase two of the project.</p>
<p>Perth Museum</p>	<p>The development of Perth Museum as a major new museum attraction is rooted in the Council’s strategic transformation programme for culture, addressing declining cultural tourism visits to Perth and broadening cultural participation amongst local audiences. The importance of cultural tourism to Scotland’s economic wellbeing is reflected in key national strategies, to drive inclusive growth throughout Scotland by tourism market growth.</p> <p>Perth Museum will provide a new headline attraction which will boost inclusive growth in the following ways:</p> <ul style="list-style-type: none"> • Create direct and indirect employment, 19.7FTE direct employment opportunities, 21 FTEs at P&K level, 14 FTEs at Scotland level and 3 FTEs at UK level. Culture Perth and Kinross is a registered Living Wage Employer and all roles are paid at this level or above. • Create 1,500 volunteering and 30 community enterprise opportunities. To encourage take up, roles are widely advertised through local press and media, social media, organisational website and through voluntary sector partners including RVS and PKAVS, where applicable. There are strong local connections between organisations to share opportunities. • Enhancing the visitor economy of the Tay Cities Region, generating an estimated 167,000 additional visitors to Perth by 2026/27. The project will also generate an average additional \$2.5m GVA annually to Perth and Kinross and £1.0M GVA annually to Scotland over 10 years. • Enhancing the quality of life of the region, stimulating inward investment and attracting more, higher value jobs to reduce current dependency on the tourism, agriculture and service sectors. • Enhancing education and lifelong learning for local communities of geography and interest, supporting improved life chances as a result. In practice, E=engagement and learning will begin with a comprehensive programme for primary and secondary schools, building on existing relationships. There will be programmes of talks and workshops for adults using the Collections as a route into a variety of topics from the acquisition of digital skills to research. Targeted projects will be developed collaboratively with key community groups such as the Tayside Mental Health Arts Trust and the Centre for Inclusive Living to ensure engagement is inclusive and that programmes reflect community interests and individual needs.

	<ul style="list-style-type: none"> Enhancing community well-being and resilience through civic pride and sense of place, by reinvigorating Perth's history as the original capital of Scotland. Qualitative data will be collected and collated over time through the use of online and in-venue survey data. Other local and national data gathering including from the Scottish Household Survey will be reviewed alongside locally generated findings to build a detailed evidence base to support measurement. A key set of Performance Indicators have also been identified for the project and these, along with a detailed benefits realisation plan will be monitoring on a regular basis.
Innerpeffray Library	<p>The Innerpeffray Library seeks to enhance their approach to inclusivity across all areas of the organisation. The project aims to bring improvements that will develop the benefit to the community and its physical accessibility, which in turn improve the breadth and number of activities that the organisation is able to carry out.</p> <p>Whilst small in scale, the Project is aiming high with our commitment to heritage and cultural inclusivity and will consider the sustainability of the project, environmental impact and transport use. The Project will increase the use of the outside space and also promoting walking and cycling and investigating community transport options for open days. Any new developments will take account of best practice for environmental impact.</p> <p>Quantitative targets for inclusive growth for the project include:</p> <ul style="list-style-type: none"> Run a minimum of six schools projects, offering opportunities to those pupils who are less likely to engage without support in the duration of the project. Active recruitment plan to involve four new volunteers from underrepresented groups in the duration of the project. Work with adult learners at Perth College and other partners to offer opportunities for engagement to enhance life and vocational skills: every two years. Continue to support University of Stirling PhD students. Run annual open day and 2 heritage activities annually targeted at hard to reach audiences.
Crieff International Highland Centre	<p>The key aim of the Crieff International Highland Centre project is to establish itself as the hub of the community's sports, health and wellbeing for Crieff. Its objective is to work to improve the conditions of life for all in the town. This will be achieved through the provision of a centre for meetings, recreation and events for all age groups and abilities. By providing these facilities and offering help with the recreation for all in this inclusive centre it will provide benefits for everyone in the local community. The need for this hub is identified as a priority in the Crieff Community Action Plan 2021-2026. The specific inclusive growth targets will be developed further as the Project's business case evolves.</p>
Aero Space Kinross	<p>The Aero Space Kinross project will deliver inclusive growth opportunities in relation to the 5 inclusive growth outcomes; productivity, population, participation, people and place in response to local needs and aspirations. This includes:</p> <ul style="list-style-type: none"> Productivity – the creation of a new visitor centre in the heart of Scotland will add an important new economic engine to the Kinross area and add stickiness to the collective tourism offer of the region which will encourage more visitors, staying for longer and spending more.

	<ul style="list-style-type: none"> • Population – a focus on public engagement with STEM, encouragement of learning on the specific themes of flight and space, partnership work with others, including sharing contemporary content from Scottish Universities, academics and flight and space focused businesses, will have much wider impacts on audiences. ASK will be a powerful advocate for STEM career engagement and will develop and target programming to ensure equality of opportunity amongst those at school age and above. • Participation – Aero Space Kinross will employ fair employment practices and actively seek to promote diversity in its team in order to increase participation. • People – Aero Space Kinross will play its part in eliminating equality in terms of its work on education and learning and proactively develop initiatives and programming that support equality of access and opportunity. • Place – Aero Space Kinross will deliver a meaningful new community resource that will have wider impacts than those directly attributable to the new Centre itself. <p>The specific inclusive growth targets will be explored further as the business case evolves.</p>
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Table Four: Digital Theme – Inclusive Growth Statements

Programme, Fund or Project name	Inclusive Growth Statement
Rural Angus and Rural Perth & Kinross High Speed Broadband	<p>The project aims to enhance fixed fibre and wireless connectivity to the rural parts of Angus and Perth and Kinross. The focus of the fixed fibre connectivity has been to provide full fibre gigabit capable connectivity to 186 public buildings across Angus and Perth & Kinross.</p> <p>The project looks to increase the availability of Internet Connectivity to Rural Business / Households in Rural Angus, closing the Digital divide between Rural & Urban environments. The infrastructure will allow the Rural Communities / Businesses to participate & compete with their peers located in an Urban environment, driving innovation, new ways of working, access to online services, access to online training, create rural businesses etc. One of the major disadvantages of living in a Rural location has been removed “Digital Connectivity”.</p> <p>One of the key drivers to this project is that a Wireless Rural Broadband Network reduces the requirement to install fibre cabling into the ground, reducing the environmental impact and disruption to Rural Angus. A key design of the build process was to use existing farming infrastructure to reduce the requirement to build new and expensive structures to host the Wireless Infrastructure. This also allows for some of the income generated by the project to stay in the local community through annual payments to the farms for hosting the infrastructure.</p>

	<p>The infrastructure will allow:</p> <ul style="list-style-type: none"> • Rural businesses access to Superfast Internet connectivity, allowing the business to grow and develop within Rural Angus rather than move location • Rural households access to Superfast Broadband connectivity, allowing educational opportunities, access to online markets, working from home • Rural communities to be more sustainable due to digital connectivity to online services • Development of Tourism opportunities due to customers requiring digital connectivity all the time • Reduction in the disadvantages in creating a rural business • Farming industries now connected to central government reporting systems
<p>5G Digital Testbeds</p>	<p>The 5G Digital Testbeds project outlines its commitment to inclusive growth as part of the business case and covering Equality Impact and Fairer Scotland Impact Assessment, Socio-Economic Benefits and Approach to Inclusive Growth. The Project is seeking to deliver benefits and outcomes whilst operating within the capital eligibility requirements of city deal projects and as applied to Tay5G, being a Research & Development project. The Project is also seeking opportunities to collaborate with the Tay Cities Regional Skills & Employability Development Programme and relevant projects. Furthermore, the Project continues to work with Dundee City Council) to inform and seek inclusion of skills areas pertinent to 5G, associated technologies and vertical sectors. The latter are wide ranging and encompass areas such as construction, media production, agritech and smart ports.</p> <p>Digital sectors and services for vertical sectors offer significant potential for inclusive growth across both diversity and SMEs. For example, use case trials are in a position to deliver outcomes across the business growth and skilled population priorities. Business growth outcomes include engagement with SMEs who will obtain a greater awareness of opportunities arising from 5G, routes to engage with 5G and an improved position to pursue related markets and opportunities. Skills outcomes will be delivered through engagement with organisations in the educational ecosystem such as universities, colleges and Developing the Young Workforce to raise awareness of the opportunities and skills needed for 5G and 5G supported applications.</p> <p>The approach is exemplified across:</p> <ul style="list-style-type: none"> • Business Growth through projects engaging with SMEs as partners or collaborators and catalysing their engagement with opportunities. • Development of knowledge and skills through SMEs (including individual freelancers) engaging with expertise through the Scotland 5G Centre and regional universities. • Skills and business opportunities by showcasing these and education pathways through delivery of use case trials. Education pathways are predominantly universities and colleges and we are focusing engagement on those in the Tay Cities Deal region. This is augmented by engagement with organisations such as Developing the Young Workforce and the Employability Services run by Tay Cities Region councils.

Table Five: Transport Theme – Inclusive Growth Statements

Programme, Fund or Project name	Inclusive Growth Statement
Low Carbon Transport & Active Travel Hub	<p>The Low Carbon Transport & Active Travel Hubs Programme will be encompassed by 3 phases. The inclusive growth targets will be explored further as each phase is developed.</p> <p>All three phases of the Programme aim to support the National Transport Strategy (2) stated aims of improving inclusive growth to enable people fair and affordable access to transport modes to reach the jobs where they can be most productive and boost both business growth and household incomes through improving access to employment.</p> <p>Phase 1 of the Programme is the Broxden – Low Carbon Transport Hub Project. The project aims to add seven new Rapid EV chargers and eight 7kW EV chargers to accommodate a variety of EV usage patterns, bringing the total EV charging spaces at the site to 41. The project will support businesses and support improved mobility to access employment by providing the re-charging infrastructure to support businesses and communities that may not have the space or the funding to develop their own EV charging facilities and will also provide reliable EV charging support to visitors to the area. The expansion of EV charging facilities at Broxden Park & Ride will be available to all to use, including the first disabled / mobility impaired accessible EV charger in the Perth and Kinross area. An innovative solution is being provided that will incorporate on-site renewable generation of electricity, that will be optimised by means of a smart energy management and battery system to reduce the carbon footprint of the EV charging infrastructure by maximising the use of on-site generated renewable energy and reduce the costs of providing energy to support the EV charging facilities.</p> <p>The community benefits generated from the procurement of the project outputs in phase 1 at Broxden will be used to support employment and training/work experience opportunities in the area by arranging site visits for schools / colleges to see at a practical level what is involved in delivering infrastructure projects and how infrastructure projects are managed and how on-site health and safety mechanisms work to ensure the safe delivery of the project outputs.</p> <p>Phase 2 of the Programme is the Perth – Active Travel Hubs project. The aim of the Active Travel phase of the programme is to support the sustainable travel hierarchy and create an active travel hub and network of low carbon and shared and active travel facilities across Perth. With the aim of providing credible alternatives to using private cars and for non-car owners by developing and deploying active travel facilities, services and infrastructure in and around Perth.</p> <p>In line with the NTS2 vision for a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors, the phase 2 of the programme will encourage and priorities sustainable transport solutions and create active travel options by developing and improving walking, wheeling and cycling routes in and around the city and providing active travel infrastructure, facilities and services including deployment of bike hire facilities across Perth and a car club. Engagement with the disabled and mobility impaired community has begun (consultation with the Centre for Inclusive Living – Perth and Kinross) and will continue for this phase of the project to ensure as much of the new active travel services and facilities are accessible and useable for the disabled or mobility impaired.</p> <p>Phase 3 – Perth – Hydrogen Refuelling Station. In the third phase of the programme the aim is to deploy the first publicly accessible hydrogen refuelling station in the Tayside region to support the uptake of hydrogen transport and contribute to a regional and national hydrogen refuelling network.</p>

	<p>It is the intention of Perth and Kinross Council to develop a publicly accessible hydrogen refuelling station in the Broxden area as a third phase of the programme in 2027-2029. This Hydrogen development will assist the governments' aims for Hydrogen and broaden the range of alternative low carbon transport fuels available. This would be the first in the Tay Cities area and would provide an important component of Hydrogen refuelling infrastructure at this strategic node on the Scottish motorway network.</p> <p>The issues of inclusive access to hydrogen refuelling facilities as not been well tested so far. The hydrogen refuelling system requires a locked connection to transfer compressed hydrogen at around 700bar for cars and light vehicles and 350bar for heavier vehicles at a temperature of around minus 252C. PKC will work with the hydrogen station developers and manufacturers and the disabled and mobility impaired community to deliver an inclusive Hydrogen station that will provide hydrogen refuelling facilities for all that wish to use them.</p>
<p>Perth Bus and Rail Interchange</p>	<p>The Perth Bus and Rail Interchange Project will look to ensure equal access to improved transport services while creating opportunities across all sectors of society.</p> <p>The Project, through improved infrastructure, will help tackle inequalities and particularly look to provide opportunities for increased prosperity for disadvantaged groups. It's commitment to the inclusive growth agenda will be further considered as the project develops.</p>
<p>Dundee Airport Investment</p>	<p>The project seeks to enhanced the role of Dundee Airport as a strategic transport hub, supporting both the Connected Tay and Innovative & International Tay strands of the Tay Cities Region Deal. Connectivity is recognised as a key driver of sustainable economic growth and capital investment in the airport and support for the development of new routes (in the UK and potentially to European hubs) will support economic growth in terms of perceptions of the region as a place to do business, making it easier of local companies to do businesses nationally and internationally, making the region more attractive to key workers and supporting growth in visitor numbers.</p> <p>The project has identified key needs to ensure that the airport has the potential to grow, but the development of the Business Case is at an early stage. Key elements related to inclusive growth will be considered as the project develops. This will include:</p> <ul style="list-style-type: none"> • A focus on community benefits during the construction phase of the project • A focus on regional supply chains as the project is developed and delivers • Supporting work experience roles where appropriate going forward and link with projects within the Employability & Skills programme and Tayside Aviation Academy • Considering key issues related to environmental sustainability and how future airport operations can do their best to minimise those impacts • Provide insight into the indirect benefits of the airport and the potential of economic growth across the Tay Cities connected programmes to deliver on inclusive growth • Consider whether any Community Wealth Building objectives can be supported by the project <p>As the business case develops greater clarity will form on the actual inclusive growth targets that the airport will move towards.</p>



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