

City Chambers
DUNDEE
DD1 3BY

15th September, 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, 22nd September, 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 20th September, 2023.**

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

TAY CITIES REGION JOINT COMMITTEE

- 1 **WELCOME, APOLOGIES/SUBSTITUTIONS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **MINUTE OF MEETING OF 23RD JUNE, 2023 - Page 1**

(Copy enclosed).

4 MEMBERSHIP

The Joint Committee are asked to note in terms of Clause Six of the 2017 Minute of Agreement, Dundee City Council have appointed Councillor Steve Rome to be their representative on the Joint Committee, to replace Councillor Mark Flynn.

PART 1: REGIONAL COLLABORATION

5 REGIONAL COLLABORATION – LOOKING AHEAD

(Presentation by Gordon Mole, Fife Council, on behalf of the Heads of Economic Development Group)

PART 2: TAY CITIES REGION DEAL

6 TAY CITIES REGION DEAL UPDATE (INCLUDING DEAL PROGRAMME YEARS 5-10)

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

7 REGIONAL SKILLS PROGRAMME BRIEFING AND MANAGEMENT OF RISKS - Page 7

(Report No TCRJC9-2023, introduced by Barbara Renton, Perth & Kinross Council, and presentation by Andy Brown, Skills Programme Owner, Perth & Kinross Council).

8 PERTH MUSEUM UPDATE

(Presentation by Fiona Robertson, Perth & Kinross Council).

9 PROPOSED PROGRAMME OF MEETINGS 2023

Friday, 8th December, 2023, to be held at:
Conference Room, Walter Bower House, University of St Andrews, Eden Campus, Guardbridge, KY16 0US.

10 AOCB

11 DATE OF NEXT MEETING

Friday, 8th December, 2023.

ITEM No ...3.....

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Friday, 23rd June, 2023

Present: -

Angus Council

Councillor Beth WHITESIDE
Councillor Brian BOYD

Dundee City Council

Councillor John ALEXANDER
Councillor Mark FLYNN

Fife Council

Councillor David ROSS
Councillor Gary HOLT

Perth & Kinross Council

Councillor Grant LAING
Councillor Eric DRYSDALE

Non-Elected Members

Rhona ALLISON, Scottish Enterprise (from Article V)
Ronnie PALIN, Skills Development Scotland

Also Present

Roger MENNIE, Dundee City Council
Robert EMMOTT, Dundee City Council
Robin PRESSWOOD, Dundee City Council
Alison SMITH, Angus Council
Margo WILLIAMSON, Angus Council
Barbara RENTON, Perth and Kinross Council
Ken GOURLAY, Fife Council
Steve BELL, Tay Cities Deal Comms
Mo SAUNDERS, Tay Cities Deal Programme Manager
Lauren HOLLAS, Tay Cities Deal Project Manager
Clare SLATER, Tay Cities Deal Project Manager
Hannah ROBERTSON, Tay Cities Deal Project Officer
Lucy BYATT, Hospitalfield, for Article V
Russell WILLIS TAYLOR, Hospitalfield Board Member, for Article V
Alisdair STEWART, Aero Space Kinross, for Article VI
Sam GREENSMITH, Scottish Enterprise, for Article VII

Councillor Grant LAING, in the Chair

I APOLOGIES

Apologies had been intimated from Councillor Ronnie Procter, Councillor Bill Duff, Councillor Jonny Tepp, Councillor Georgia Cruickshank, Greg Colgan, Steve Grimmond, Mark Speed, Alison Henderson, Gordon McGuinness, Hayley Mearns and Iain Gillespie.

II DECLARATIONS OF INTEREST

There were no Declarations of Interest.

III MINUTE OF MEETING OF 24TH MARCH, 2023

The minute of meeting of 24th March, 2023 was submitted and approved.

PART 1: REGIONAL COLLABORATION

IV REGIONAL COLLABORATION

No items were submitted.

PART 2: TAY CITIES REGION DEAL

V TAY CITIES REGION DEAL UPDATE

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

The Deal Programme was outlined to the period of September 2023. An explanation was also given regarding the Statement of Compliance - there was a commitment within the Grant Offer Letter for the Accountable Body to submit a Statement of Compliance every year by 30th April. This was to confirm that any grant claimed from the Scottish Government in the previous financial year was properly due and was used for its intended purposes, in line with the terms and conditions. All Projects who made a claim in 2022/23 were asked to provide a Statement of Compliance (signed by their Finance Director) to provide assurance to the S95 Officer. All Projects had provided the required assurance and the Statement of Compliance was submitted to the Scottish Government of 28th April, 2023.

It was noted that a final draft of the 2023/24 Grant Offer Letter has been received by the Scottish Government.

The following new clauses had been included but would not result in an addendum to Project Legal Agreements:

- in Relation to eligible Capital Expenditure - Expenditure associated with Research and Development (R&D) activity which under ESA 10 guidelines is eligible to be capitalised. "ESA 10" means the European System of National and Regional Accounts 2010. Research and Development (R&D)" means creative work undertaken on a systematic basis to increase the stock of knowledge, and/or use of this stock of knowledge for the purpose of discovering or developing new products, including improved versions or qualities of existing products, or discovering new or more efficient processes of production
- in relation to disposal of assets - Notwithstanding the generality of this condition 6.2, where the arrangements contemplated by the funding approach are underpinned by a Project Full Business Case, approved by partners and endorsed by government, and subject to the terms of the offer or grant from Scottish Government, a project shall be entitled to the capital receipts from the sale of assets (without the prior written consent of the Scottish Ministers being obtained).
- in relation to Internal Audit - It is for the «Region_Deal_Name» Local Authority partners to allocate Internal Audit resources for «Region_Deal_Name» activities. The Accountable Body shall determine which of the «Region_Deal_Name» Local Authority partners Internal Audit functions should conduct specific audits for «Region_Deal_Name» activities. The results of the audit will be submitted by the Accountable Body to DGEFinanceUnit@gov.scot upon completion of the audit.

All Capital Business cases with Joint Committee approval were detailed, along with Business Cases which had received approval since March 2023, and Revenue Business Cases with Joint Committee approval, noting that there had been no Revenue Business cases approved by the Joint Committee since December 2022. There was also a commitment in the Deal Document to inform the Joint Committee when the Management Group and Governments approved a Business Case, and relevant business cases were highlighted.

Thereafter, the Year 3, 22/23 year end Capital Programme for the year end was outlined. There was a capital allocation of £37.32m in 2022/23 which included an £8m acceleration from the Government. The Partnership achieved drawdown of £36.49m; a total of 98% of the allocation. The capital underspend of £0.822m in 2022/23 had been placed in Year 10 (a detailed breakdown of this would be made available on request).

The Year 3 22/23 year end Capital Programme for the year end was then outlined.

The revenue allocation in year 3 at Deal signing was £2.749m. This was reduced to £2.415m following the reallocation of revenue to capital for the TCEP Project. At the beginning of 22/23, the Partnership agreed to confirm underspend of £1.404m against the Skills Programme to the Scottish Government, ahead of the Grant Offer Letter being issued. The Partnership were then reporting to a £1.011.5m revenue allocation in 2022/23 and achieved drawdown of £135k; a total of 13% of the GoL value. There was currently a significant risk to the delivery of the Revenue Programme with £4m confirmed underspend placed in Year 10. However there was a key action for the Partnership to review the Regional Skills Programme and develop a realistic and deliverable Programme.

It was reported that the Capital Programme for 2023/24 was awarded £29.570m at Deal Signing. This included the transfer of £0.345m revenue to capital for the Tay Cities Engineering Partnership Project. The Partnership had also secured £13m of acceleration in 2023/24 which was awarded to the two JHI Projects. The Capital Programme for this year therefore now had a value of £42.57m, which was the highest value Capital Programme in 2023/24 for any of the Scottish Deals. The Year 4 Business Case timetable was tabled, including those at risk of not securing approval this financial year.

With regards to the Year 4 23/24 Revenue Programme, it was reported that at the Deal Signing, the total 2023/24 revenue allocation was £2.775m. This was reduced by £345k with the reallocation of revenue to capital for TCEP. The Management Group in May agreed to formally confirm an underspend of £828k to the Scottish Government for the 23/24 revenue allocation. This related to a confirmed underspend at year start by the Skills Programme. This would be reflected in the Grant Offer Letter.

As part of the Annual Conversation, the Partnership were also tasked with scrutiny of the Revenue profile. Quarterly meetings had now been set up with the Programme Owner, Section 95 Officer and Management Group chair to provide assurance that the Programme had in place robust Programme Management to ensure delivery. The Scottish Government had highlighted that the refresh of the Skills Programme should set out a robust and realistic profile for the next 5 years, showing what they would request to reduce their funding sitting in year 10. The Year 4 Business Case timetable for Revenue projects was also tabled, including those at risk of not securing approval this financial year. The Joint Committee requested that a briefing paper was on the management of the Skills Programme and any risks will be brought to the Joint Committee in September.

It was noted that the Management Group had agreed that all quarterly reporting would require the assurances to be reviewed and signed off to help both the Partnership and Governments to understand any key risks. Work was currently underway with all of the Projects who had identified a potential funding gap and impacts to commitments. All Projects and Partners had been reminded of their role to ensure that any inflationary impacts were highlighted as soon as known and this would continue to be reported to the Joint Committee. It was expected that a fuller update on the position would be provided at the September Joint Committee meeting.

In conclusion, 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 and noted the position.

V HOSPITALFIELD PHASE 2 PROFILE FOR INFORMATION AND PROJECT UPDATE

There was submitted Report No TCRJC7-2023 introduced by Alison Smith, Angus Council and a presentation by Lucy Byatt, Hospitalfield and Russell Willis Taylor, Hospitalfield Board member, providing an update, for information, to the Joint Committee of the updated profile for the Hospitalfield Project.

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 the report and the updated profile for the Hospitalfield Project; and
- (ii) note that the Management Group had considered and agreed that Hospitalfield could draw down £606k of the next tranche of Funding, with the Joint Committee being informed of this decision.

VI AERO SPACE KINROSS FBC FOR APPROVAL

There was submitted Report No TCRJC8-2023 introduced by Barbara Renton, Perth and Kinross Council, and a presentation by Alisdair Stewart, Aero Space Kinross and Project Lead, seeking approval of the Full Business Case (FBC) for the Aero Space Kinross project by the Joint Committee.

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 the report and the Full Business Case (FBC) for TCD027 Aero Space Kinross. The Full Business Case would be available via ShareFile, on request;
- (ii) approve the FBC subject to the following conditions imposed by the Management Group: -
 - (a) a demonstration by the Project Owner that the price of land purchase was satisfactory/reasonable/acceptable to the District Valuer.
 - (b) confirmation and evidence to the satisfaction of the S95 Officer that all match funding had been secured to deliver the full Project.
 - (c) the Tay Cities funding was towards the total cost of the Project. However, the funding would only be awarded to fund up to 50% of the District Valuer's valuation of the land.
 - (d) confirmation from the accountable body that the accountable body was satisfied that the subsidy control statement met the legal requirements; and
- (iii) note the recommendation that the ongoing requirements as requested by the Governments and the Culture & Tourism Thematic Board (Section 8) would be met by the Project, and managed by the Board.

VII ADVANCED MANUFACTURING PROGRAMME APPROACH FOR EXPRESSION OF INTEREST

A presentation was given by Sam Greensmith of Scottish Enterprise on the Advanced Manufacturing Programme.

Sam advised that the Tay Cities Region Deal allocated up to £8m for the development of High Value Manufacturing in the Region.

Scottish Enterprise was suggesting an open, competitive call-based programme to make the funding available, assess applications and make recommendations of suitable applicants. The original OBC envisaged a call offering up to 50% funding to projects with a minimum grant value of £2m (based on requirement for £8m in match funding to be secured). Evidence provided by Scottish Manufacturing Advisory Service suggested that the call would not benefit from being targeted, therefore it would be sector agnostic and accessible by public and private sector organisations, consortia, and inward investors to the Region. The Tay Cities Region Deal partnership would have an opportunity to provide final approval to award funding, following an Expression of Interest and development of the Programme OBC.

It was noted that the Scottish Enterprise Team had identified the undernoted primary risks associated with the development and delivery of the Programme:

- (i) A lack of suitable candidates and applications;
- (ii) Uneven representation across the Tay Cities Region from suitable candidates;
- (iii) A pre-set programme budget from 2024-2030 and the associated impact on application assessment and project delivery.

Thereafter Sam outlined the proposed delivery for this Programme:

EXPRESSION OF INTEREST

The SE Programme Team would put out a request for EOIs to gauge potential interest and uptake. Feedback would identify potential projects but would also indicate if there was an appetite for larger scale investments. The EOI stage would be freely accessible and marketed through normal SE channels as well as through TCRD partner networks.

DELIVERY IDENTIFICATION

Once the scope and scale of potential projects was known, the Programme Team would consider the following delivery options:

- (1) If several large projects (requiring £2m+ grant) were identified, an open call would be launched for the full £8m allocation.
- (2) If fewer large projects came forward, the Programme Team may look to apply the currently suggested call criteria to a portion of the £8m allocation and use the remaining allocation for a fund targeting smaller, more dynamic projects. Such a fund could be managed by Scottish Enterprise on behalf of the partnership

PROGRAMME LAUNCH

Having identified a delivery option, the Programme Team would look to launch a call using the same outreach activities used at the EOI stage and consider using unallocated budget to develop and launch a regional fund.

In conclusion, it was reported that at this stage, the Programme Management Team had received endorsement from the Management Group to progress with the approach as outlined. The expression of interest stage would be launched shortly. This would enable the Programme Management Team to gather the market intelligence needed by the Government and Thematic Board, enabling Scottish Enterprise to revise the OBC.

The proposed timeline was to launch the Expression of Interest stage and follow on with a call later in the summer *if* the evidence suggested that a competitive call was warranted. The Programme Team would come back with the updated Outline Business Case in the autumn for approval.

The Chair thanked Sam for his presentation and noted the position.

VIII PROPOSED PROGRAMME OF MEETINGS 2023

Friday, 22nd September, 2023, to be held remotely
Friday, 8th December, 2023, venue to be confirmed

IX AOCB**(i) ATTENDANCE AT MEETINGS**

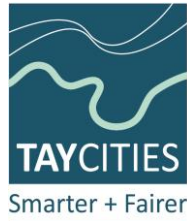
The Chair expressed concern that, due to the large number of apologies being submitted by members, the meeting could have been inquorate, It was therefore agreed to write to Joint Committee members reminding them of the importance of being personally present or sending substitutes to future meetings.

(ii) RETIRAL – STEVE GRIMMOND

On behalf of the Joint Committee the Chair extended thanks to Steve Grimmond, Chief Executive to Fife Council, who was retiring. Steve had been involved with Tay Cities Deal and Joint Committee since their inception, and members were grateful for his hard work and commitment, and wished him well in his retirement. The Chair also welcomed Ken Gourlay as the new Chief Executive for Fife Council.

X DATE OF NEXT MEETING

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



REPORT TO: TAY CITIES REGION DEAL JOINT COMMITTEE

REPORT ON: SKILLS PROGRAMME BRIEFING FOR JOINT COMMITTEE & MANAGEMENT OF PROGRAMME RISKS

REPORT BY: ANDY BROWN, PERTH & KINROSS COUNCIL, REGIONAL SKILLS & EMPLOYABILITY DEVELOPMENT PROGRAMME OWNER

REPORT NO: TCRJC9-2023

1. PURPOSE OF REPORT

1.1. This report seeks to provide information that the Group notes the position about the Skills Programme underspend in the year 23/24

2. RECOMMENDATIONS

2.1. The Management Group is asked to consider this report and:

- i. Note the position in relation to programme underspend.
- ii. Seek further information in relation to the underspend.
- iii. Make further recommendations.

3. BACKGROUND

3.1. The Tay Cities Region Deal have allocated £20M to the skills programme, over the 10 years of the deal. The project is expecting to make an underspend of £828K for allocated projects in 23/24, this brief is to explain our current position and the reasons for the underspend.

3.2. Current position, The Scottish Government have requested that the Skills Programme be realistic with the ask for 23/24, rather than not spending all the full allocation. The Skills Programme has forecast a 428K underspend against the agreed allocation for 23/24 of £2.339M. This is a reduction in last year's underspend and forecast to be reduced in 24/25. Delays in business case completion and approval have resulted in a year-on-year underspend. As all underspend has been moved to year 10, we have identified this as a risk as it is unlikely some of the projects will be able to multiply their activity in year 10.

3.3. **Phase 1 Projects** – There are 5 identified phase 1 projects that have been identified and have business case approval or still going through the business case approval process. (Appendix 1)

- 3.4. **Programme Manager** - Programme Manager is now employed and the project is spending its full allocation of £59,639 in 23/24.
- 3.5. **Digital Skills** – Digital Skills has now achieved Business Justification Case approval for phase one of the project. The project Manager and Project officer have been recruited and are now in post. The project is carrying out an evaluation and will use this information to influence where the funds are spent in 23/24. Fife Council are the project owners for Digital Skills.
- 3.6. Digital Skills has identified several projects and are moving towards procuring contracts to deliver in 23/24 and beyond. DS are expected to draw down their full allocation in 23/24.
- 3.7. **Supporting SMEs** – The Supporting SMEs project Outline Business Case has now been approved by Management Group. The Full Business Case has been reviewed by the SAB and is currently with the Scottish Government awaiting comment. Support for SMEs is expected to draw down their full allocation in 23/24. Dundee and Angus College are the project owners for Supporting SMEs.
- 3.8. **Life Sciences** – The Life Sciences Business Justification Case is with the Scottish Government awaiting review and feedback. The Business Justification Case is expected to be presented to the Management Group some time in Quarter 2/3 23/24. Life Sciences is expected to draw down their full allocation in 23/24. Dundee and Angus College are the project owners for Life Sciences.
- 3.9. **Hospitality** – The Hospitality project is the least developed of the phase one projects, with the project BJC being completed by college staff in addition to their day-to-day activities. A Project Manager has now been employed and is working full time on the Business Justification Case, with real progress on the business case now happening. The Business Justification Case should be ready for review in Quarter 2/3, with a view to presenting it for Management Group approval in Quarter 4 23/24. Hospitality is not expected to draw down any of its allocation in 23/24. Perth UHI are the project owners for Hospitality.
- 3.10. The **Targeting Pockets of Need** project is the first of the phase 2 projects to be identified by the Skills Advisory Board. There is now a project team in place and Staff have been allocated to write the business case. The project is currently in an evaluation phase, which will influence the proposal. Dundee City Council are the project owners for Targeting Pockets of Need. The Skills Advisory Board have made a commitment to support the clean growth agenda with phase 2 funds, but this has not as yet been clearly defined as a project or have a project title. Simon Howitt from Dundee & Angus College is leading on this and will influence phase 2 spend. Other projects TBC.
- 3.11. There have been a number of challenges that resulted in an additional underspend for 23/24. (Appendix 2)
- 3.12. There has been a delay in receiving feedback on business cases submitted for review. Life Sciences BJC and Support for SME's Full Business Case are both with Scottish Government awaiting review. This process normally takes around 4 weeks, with recent business cases taking up to 8 weeks. There has been an internal restructure in Scottish Government, which has resulted in limited access to staff who can review business cases. Business cases often require 2 or 3 iterations before they are ready for Management Group and Joint Committee presentation and approval.

- 3.13. Some of the writers of the skills business cases have never used the Treasury Green Book method before, this is often an addition to their day-to-day responsibilities and does not always take priority. Business cases have tended to be longer than they need to be, often including non-relevant information. Organisations do not always have the staffing to complete the business cases, in addition, the project owners are spending at risk as they may not be able to draw down funds to cover workers time during the same financial year.
- 3.14. The new subsidy control guidelines that came into force this year have proved to be an additional hurdle and learning experience for the projects who are seeking to have their business cases approved. There is a current lack of guidance and detailed information to support projects with completing their subsidy control, this has resulted in Dundee & Angus College asking for external assistance, adding to delays.
- 3.15. Procedures in procurement and internal process in project owner organisations are causing delays with activity starting, digital skills, life sciences and Support for SME's have all indicated this can be an issue. It is worth noting that Tay Cities Engineering Partnership took almost a year to procure some of their equipment and only just made the end of year cut off for claims.
- 3.16. The Skills Programme Manager has agreed with the PMO to the underspend if we have assurance from Scottish Government that requests for additional funds will be available if needed later in the year, however, we do not think that this will be needed in 23/24.
- 3.17. The Project Manager allocated to the Hospitality project has now left his post. This project saw a significant improvement in activity when the Project Manager was in post and any delay in recruiting to this post will have the potential to delay the approval of the Hospitality Business Justification Case.
- 3.18. It is worth noting that the underspend was much larger last year as only the Programme Manager post, and a small amount of the Digital Skills project were to make spends in 22/23.

4. MITIGATIONS

- 4.1. A concerted effort has been made to bring projects forward for business case approval, this has resulted in both Life Sciences and Support for SMEs projects looking to seek full business case approval in Quarter 2/3 and expected to spend their full 23/24 allocation. In addition, Digital skills have indicated that they will be able to spend ahead of profile in 23/24.
- 4.2. A skills projects delivery group has now been set up, with key skills project staff meeting every 3 weeks to share best practice and issues they may have. This has proved to be a valuable part of the advancements in business case approval and delivery.
- 4.3. Additional staff have been allocated to projects to speed up the process of completing business cases, Digital Skills now have a full-time Project Manager and part time Project Officer, Hospitality now have a Project Manager in post and Life Sciences, Support for SMEs. Targeting Pockets of Need have been allocated addition staff resource to support the writing of the Outline Business Case and Full Business Case.
- 4.4. Projects have indicated they may be able to spend ahead of profile but are facing issues such as procurement. The skills programme manager made the Management Group aware of this on the 25th of May meeting, where a request was

made to the members to support procurement in their Local Authorities. The projects are working closely with their relevant procurement teams to ensure that they are a priority. The programme manager has been meeting with projects and procurement staff to identify holdups and the most appropriate method of procuring services.

- 4.5. The Skills Programme met with the Scottish Government on the 30th of June to explore the implementation of a rapid response funding model. Skills business cases on average are taking more than 2 years to complete and be approved and all unspent funds moved to year 10. Having a rapid response application process will allow us to tap into any underspend and create pathways into capital and skills projects in a timelier fashion. The Scottish Government will be presented with a business case that explains how this will work in practice and this will take the form of an BJC that will manage the smaller asks for funding. This will help to create an academy approach to supporting learners into some of the Tay City Region Deal opportunities. (Appendix 3)
- 4.6. The skills Project Managers attended a meeting between the PMO and Scottish Government to discuss the new subsidy control guidelines. While it is clear there is still some work to be done here it does look like the projects have somewhere to go for assistance with their subsidy control. Projects are being encouraged to complete their subsidy control statement as soon as practicably possible and before their business case is presented to Management Group for approval.
- 4.7. The Scottish Government have requested a clear plan for phase 2 projects and how they will be delivered, the Programme Manager will supply this for Government review.
- 4.8. The Skills Programme is looking at ways of spending ahead of profile and will be seeking assistance from the Finance Directors group to explore options that are available.
- 4.9. The Skills Programme is exploring ways of supporting capital projects with their skills shortages. Some capital projects have approved business cases and can maximise any revenue underspend to support training and job outcomes associated with these projects. This will help to form a pathway between trainees on skills projects and the Tay Cities capital projects and ensure any underspend can be maximised.
- 4.10. Perth UHI have advertised for a new PM to support the progress of the Hospitality project, with interviews expected to take place at the end of September. The Skills PM will provide an accelerated induction for the new Hospitality Project Manager. The Hospitality Business Justification Case is around 70% complete and should be ready for first review in early 2024.
- 4.11. In summary, there is a sizable underspend of £828K this year, the Skills Programme is forecasting this to be reduced to £400k in 24/25.
- 4.12. A table of Risks, mitigations, and persons responsible has been included in this report (Appendix 4)
- 4.13. Appendix 4 shows a summary of income expenditure for the Skills Programme 23/24

5. CONSULTATIONS

5.1. The Management Group sponsor Barbara Renton has approved this report.

Report author: Andy Brown
Title Skills Programme Manager
Email address: ABrown@pkc.gov.uk
Phone number: 07827937877

Date: 23/08/2023

APPENDIX 1

2023/24 Business Case Timetable - Revenue									
Updated 3 rd July 2023									
Programme / Project	Jul 2023	Aug 2023	Sep 2023 Joint Committee	Oct 2023	Nov 2023	Dec 2023 Joint Committee	Jan 2024	Feb 2024	Mar 2024 Joint Committee
Regional Skills & Employability Development Programme Refresh					Prog. refresh to MG	Prog. refresh to JC			
Life Sciences (Tay Cities Skills and Employability Development Programme) (Year 3)		BJC to MG	BJC to JC						
Supporting SME Skills (Tay Cities Skills and Employability Development Programme) (Year 3)					FBC to MG	FBC to JC			
Hospitality (Tay Cities Skills and Employability Development Programme) (Year 3)								BJC to MG	BJC to JC
Pockets of Need & Skills Phase 2 Projects (Tay Cities Skills and Employability Development Programme) (Year 4)								OBC to MG	

APPENDIX 2

Challenges	Mitigations	Timescales
Reducing the underspend for 23/24	Skills projects with business case approval to spend ahead of profile if they have capacity to do so	January 24
Reduce potential for underspend in 23/24	Engage with capital projects to explore ways of supporting their skills shortages and outcomes	March 24
Procurement and internal organisation processes.	Programme Manager to work with individual project sponsors to create an efficient and timely process for approving spend on project activities	December 23
Identification of phase 2 projects	The Skills Advisory Board are meeting face to face in August, with a view to confirming phase 2 projects.	August 23
Programme refresh	Once the phase 2 projects have been identified the programme refresh can be presented to Scottish Government	November 23

APPENDIX 3

List of actions from SG and MG chair/Section 95 Officer meetings.	Date to be actioned by
Skills PM to work with Targeting Pockets of Need project PM and the Partnership Skills community to confirm if there is evidence to support extending the Targeting Pockets of Need Project to include other areas.	18/09/23
Skills Programme Manager to confirm back to Scottish Government if extending and having more than one Target of Need Project is an approach that the Partnership would like to consider and develop up through an SOC as soon as possible. Skills PM to include any revised approach within the development and management of the wider Skills Programme.	18/09/23
Skills Programme Manager to confirm when a revised Skills Programme profile and timeline will be available for the Scottish Government to consider.	18/09/23
Skills Project Manager to develop a short paper explaining how the programme would deliver a quick win funding model and share with the Scottish Government for consideration.	29/09/23
TCRD Programme Manager to speak to SG delays in business case feedback due to restructure of SG staff.	20/07/23
Skills Programme Manager to update the briefing note ahead of the August Management Group meeting. This will be the same paper that is presented to the Joint Committee. This paper is to be presented to the Scottish Government for information. The paper should include clear challenges, mitigation and dates for actions to be completed as a table.	31/08/23
Skills Programme Manager to meet with Fife Council procurement and Digital Skills PM to explore more efficient ways for procurement process and reduce the delays.	Completed
Skills Programme Manager and PKC Employability Service Manager to discuss with capital projects if there is scope to support them with skills training.	29/09/23
Skills Programme Manger to present a proposal to the Scottish Government, if working with capital projects is to be an option.	13/10/23

APPENDIX 4

Risk/Issue	Risk/Issue Description	RAG Current	Mitigation and Timescales	RAG Post Mitigation	Target Completion Date
Risk	Delay in SG approval of business cases due to staff restructure	RED	TCRD PMO to highlight Partnership concerns with SG, to be completed by August 2023	GREEN	Completed
RISK	Delay in procurement process, resulting in spend not taking place in 23/24	RED	Skills PM to meet with Digital Skills PM and FC Procurement to explore effective delivery model. To be completed by August 2023	GREEN	Completed
RISK	Unallocated spend in phase 2 of Skills programme	RED	Skills PM to draw up delivery plan for phase 2 projects. Further phase 2 projects will be confirmed at the August 2023 SAB meeting	AMBER	29/09/23
RISK	Delay in Skills business case approval	RED	Skills PM to work project PMs to ensure business cases are meeting approval deadlines. December 2023	AMBER	22/12/23
RISK	Projects not able to spend full allocation in 23/24	RED	Skills PM working with project owners to ensure they are able to spend full 23/24 allocation on gaining business case approval.	AMBER	31/03/24
RISK	Phase 2 projects not yet identified	RED	Phase 2 projects to be confirmed at the August 2023 SAB meeting. This will then inform the programme refresh and phase 2 delivery.	AMBER	24/1/23
RISK	Delay in Hospitality project approval due to project PM leaving	RED	Post to be advertised and new PM recruited by the end of September 2023. Skills PM will	AMBER	22/12/23

			provide accelerated induction to reduce business case delay.		
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