

City Chambers
DUNDEE
DD1 3BY

1st December, 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, 8th December, 2023 at 10:00am, to be held at Conference Room, Walter Bower House, University of St Andrews, Eden Campus, Guardbridge, KY16 0US. ****Please note change of venue****

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

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 6th December, 2023.**

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

1 WELCOME AND APOLOGIES

2 CHANGE OF CHAIR FOR TCRJC

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

3 DECLARATIONS OF INTEREST

4 MINUTES OF THE MEETINGS OF 22ND SEPTEMBER, 2023 & 23RD OCTOBER, 2023 - Pages 1 and 7

(Copy enclosed).

5 TACTRAN JOINT COMMITTEE MEMBERSHIP FOR APPROVAL - Page 9

(Report TCRJC11-2023 by Mo Saunders, TCRD PMO Programme Manager).

PART 1: REGIONAL COLLABORATION

6 CROSS TAY LINK ROAD (CTLR) UPDATE PRESENTATION

(Presentation by Ross Fletcher, Perth & Kinross Council).

7 MICHELIN SCOTLAND INNOVATION PARK (MSIP) UPDATE PRESENTATION

(Presentation by Sarah Petie, MSIP).

8 ZERO FOUR UPDATE

(Update by Alison Smith, Angus Council)

PART 2: TAY CITIES REGION DEAL

9 TAY CITIES REGION DEAL UPDATE

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

10 SUPPORTING SME SKILLS FULL BUSINESS CASE (FBC) FOR APPROVAL - Page 12

(Report No TCRJC12-2023, introduced by Alison Smith, Angus Council, and presentation by Caroline Crichton, Dundee and Angus College and Project Lead).

11 LIFE SCIENCES – BIOTECHNOLOGY AND MEDICAL TECHNOLOGY: GROWING THE TAYSIDE BIOTECH, BIOMEDICAL AND AGRITECH SECTORS BUSINESS JUSTIFICATION CASE (BJC) FOR APPROVAL - Page 28

(Report No TCRJC13-2023, introduced by Alison Smith, Angus Council, and presentation by Caroline Crichton, Dundee and Angus College and Project Lead).

12 AUDITED AND UNAUDITED ACCOUNTS

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

13 PROPOSED PROGRAMME OF MEETINGS 2024

Friday, 22nd March, 2024, to be held remotely
Friday, 21st June, 2024, to be held remotely
Friday, 20th September, 2024, to be held remotely
Friday, 6th December, 2024, venue to be confirmed

14 AOCB

15 DATE OF NEXT MEETING

Friday, 24th March, 2024.

ITEM No ...4.....

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Friday, 22nd September 2023

Present: -

Angus Council

Councillor Beth WHITESIDE
Councillor Bill DUFF

Dundee City Council

Councillor John ALEXANDER
Councillor Steven ROME
Councillor Georgia CRUICKSHANK

Fife Council

Councillor David ROSS
Councillor Jonny TEPP

Perth & Kinross Council

Councillor Grant LAING
Councillor Eric DRYSDALE
Councillor John DUFF

Non-Elected Members

Alison HENDERSON, Dundee and Angus Chamber of Commerce
Ronnie PALIN, Skills Development Scotland
Hayley MEARNS, Voluntary Action Angus
Matt LOCKLEY, Scottish Enterprise

Co-Opted Members

Councillor Andrew PARROTT, TACTRAN

Also Present

Roger MENNIE, Dundee City Council
Robert EMMOTT, Dundee City Council
Gregor HAMILTON, Dundee City Council
Alison SMITH, Angus Council
Margo WILLIAMSON, Angus Council
Barbara RENTON, Perth and Kinross Council
Ken GOURLAY, Fife Council
Mark SPEED, TACTRAN
Steve BELL, Tay Cities Deal Comms
Clare SLATER, Tay Cities Deal Project Manager
Hannah ROBERTSON, Tay Cities Deal Project Officer
Gordon MOLE, Fife Council
Andy BROWN, Perth and Kinross Council
Fiona ROBERTSON, Perth and Kinross Council

Councillor Grant LAING, in the Chair

I APOLOGIES

Apologies had been intimated from Councillor Ronnie Procter, Councillor Alycia Hates, Greg Colgan, Mo Saunders, Robin Presswood, Thomas Glen and Iain Gillespie.

II DECLARATIONS OF INTEREST

There were no Declarations of Interest.

III MINUTE OF MEETING OF 23RD JUNE, 2023

The minute of meeting of 23rd June, 2023 was submitted and approved, noting that Councillor John Duff be included within the apologies.

IV MEMBERSHIP

The Joint Committee noted in terms of Clause Six of the 2017 Minute of Agreement, Dundee City Council had appointed Councillor Steven Rome to be their representative on the Joint Committee, to replace Councillor Mark Flynn.

PART 1: REGIONAL COLLABORATION

V REGIONAL ECONOMIC STRATEGY: REFRESH

A presentation by Gordon Mole, Fife Council, on behalf of the Heads of Economic Development Group was given to the Joint Committee on the Regional Economic Strategy:Refresh.

Gordon advised that the Heads of Economic Development Group were to develop a refreshed, repositioned Regional Economic Strategy which would align with priorities within the City Region Deal and looks beyond the Deal.

The driver for this was that the 2019 Regional Economic Strategy had been used as the economic strategy for local authorities. This was developed pre signing of the Deal, and its content reflected this time period. There had been significant broader economic change since 2019, including the pandemic, EU Exit and national economic factors, together with programmes of activity now starting.

It was considered that focus should now be on measuring and addressing economic performance, and the refresh would assist partners in developing new regional opportunities.

It was noted that this would be a refresh rather than the development of a new strategy and would describe progress achieved whilst also focusing on the future. The refreshed delivery plan would be developed with input from the four Local Authorities and the theme group leads.

It was noted that existing structures would largely be maintained with a focus on

- Strategic context (NSET, UK Levelling Up, changes to landscape)
- Vision
- Strategic themes:
- Visitor economy, cultural and creative economy, food & drink, energy, life sciences, foundational economy (e.g., manufacturing, construction)
- Underpinning/cross cutting themes: - Clean growth, transportation, digital, CWB

The Heads of Economic Development Group would oversee this process, and with nominated leads for each theme. Consultation with partners would be ongoing throughout the process, which would be aligned to the delivery plan. Approval for the refresh would be sought in Q1 2024 and the delivery plan would be worked up over the first six months of 2024. The Joint Committee also noted that the Management Group would also be involved in the consultation process.

The Chair thanked Gordon for his presentation.

PART 2: TAY CITIES REGION DEAL

VI TAY CITIES REGION DEAL UPDATE

A presentation by PMO Project Manager, Clare Slater, was given to the Joint Committee outlining the current position with regards to the Tay Cities Region Deal.

The Deal Programme timetable was outlined up to the period of March 2024, with Capital Business cases which had received Joint Committee approval in 2023 highlighted. Revenue Business Cases were also referred to, noting that there had not been any Revenue Business cases approved since December 2022. There was a commitment in the Deal Document to inform the Joint Committee when the Management Group and Governments approved an Outline Business Case (OBC), and it was noted that no further OBC's had been approved since the June Joint Committee.

Key challenges and risks currently being faced included:

- The delivery of the Deal Programme and Commitments as a result of the Impact of inflation being felt by Partners and Projects
- Business Cases not having secured Joint Committee approval ahead of the year of profiled drawdown
- Impact of acceleration on the Capital Programme
- Developing and ensuring effective delivery of the Revenue Programme
- Pressures on resources within the Partnership and PMO with the potential to impact the effective management and delivery of Programme

Thereafter, an outline was given of the Capital Programme for 2023/24. The Programme had a value £42.57m and since the Grant Offer Letter was signed for 2023/24, £3.507m had been confirmed as an underspend within the Capital Programme. Underspends in current projects were highlighted, and it was reported that an ask of £499k to the 5G Digital Testbeds Project was agreed by Management Group in August had reduced the current confirmed underspend value to £3.008m.

The Business Case timetable was presented, with the Joint Committee noting that since the June Joint Committee, the following revisions to business case development had been reported by the Project Owners:

- The CASI Programme was previously reported as being presented to the December 2023 Joint Committee. The Programme Owner had confirmed this would not be presented this financial year, which means there would be no drawdown of their £2.307m allocation in 2023/24.
- Angus Rural Mobility Hub was previously reported as being presented to December 2023 Joint Committee, and would now be presented to the March 2024 Joint Committee. The Project has an allocation of £1.5m in 2023/24 and has previously declared an underspend of £700k.
- Perth Innovation Highway was previously reported as being presented to December 2023 Joint Committee, and would now be presented to the March 2024 Joint Committee along with confirmation of no drawdown of their £990k allocation in 2023/24.
- Low Carbon Transport Phase 2: Perth Active Travel Hub was previously reported as being presented to the February 2024 Management Group. The Project Owner was now indicating they would not secure approval to 2023/24, which meant there would be no drawdown of their £358k allocation in 2023/24.
- It was reported that the Revenue Programme this year had a value of £1.602m (£1.505m Skills Programme and £97k TCEP). The Revenue Programme was forecasting a full drawdown of its £1.602m allocation. Revenue drawdown difficulties continued to be highlighted to the Partnership, particularly in relation to the Regional Skills and Employability Programme. A briefing note on how the Programme was

being managed on behalf of the Partnership was being presented by the Skills Programme Manager under item 6 of the agenda. An overview was given of the Business Case (Revenue) timetable and it was reported that since the June Joint Committee, the following revisions to business case development have been reported by the Project Owners:

- Life Sciences was previously reported as being submitted to the September 2023 Joint Committee, would now be reported to December 2023 Joint Committee . The Project has an allocation of £257k in 2023/24.
- Hospitality was previously reported as being submitted to the September 2023 Joint Committee. The Project Owner was still to confirm dates through the Programme Owner.
- Pockets of Need was previously reported as being submitted to the March 2024 Joint Committee was now indicating they would not secure approval until 2024/25 which meant it would not be able to drawdown.
- Phase 2 Projects Programme Owner was still to provide dates

With regards to inflation and additional funding gaps, the Partnership had been actively monitoring the impact of Inflation and Additional Project costs on the Programme. To assist in managing the impact of these, the Partnership had sought quarterly assurances from Project Owners and their Finance Directors that they were still able to deliver the scope of the Project and agreed outputs/commitments. The following have also been developed:

- (i) An Early Warning Notification process for Projects to highlight any significant risks to the Partnership and Governments around delivery of their Project and the output commitments.
- (ii) A Change Control process for Projects to submit a change request for any variations in the scope of the project, and commitments agreed at Deal or subsequent Business Cases approvals.

All Funds, Programmes and Projects have been asked by the Partnership to highlight any Inflation and additional Project costs, as soon as known, so the Partnership and both Governments could consider the impact and risk to the Deal Programme. The Partnership would continue to monitor and report the impact of Inflation and Project Costs to the Joint Committee.

It was reported that the Partnership undertook an internal audit in the first year of the Deal (2020/21) and the Government had complimented the Partnership on their approach. There was now a commitment within the Grant Offer Letter for the Accountable Body to carry out an internal audit at a minimum interval every two years. An internal audit had been carried out in line with this commitment and was presented to Management Group in August, who considered and agreed the wording. The internal audit report would be presented to the Dundee City Council Scrutiny Committee on 27th September 2023.

In conclusion, areas for concern on the Risk Register were highlighted, noting that these were being kept under constant review by the Partnership.

The Chair thanked Clare for her presentation.

VII REGIONAL SKILLS PROGRAMME BRIEFING AND MANAGEMENT OF RISKS

There was submitted Report No TCRJC9-2023 introduced by Barbara Renton, Perth and Kinross Council and a presentation by Andy Brown, Skills Programme Owner, Perth and Kinross Council, providing an update, for information, to the Joint Committee regarding the Skills Programme underspend in the year 2023/24.

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

The Joint Committee agreed to:-

- (i) note the position in relation to programme underspend;
- (ii) seek further information in relation to the underspend; and
- (iii) seek further recommendations in relation to the underspend.

VIII PERTH MUSEUM UPDATE

A presentation was given by Fiona Robertson to members regarding Perth Museum including the project rationale and impact, the progress so far and also learning gained to date.

Fiona advised that the rationale behind the project had commenced with a full appraisal of tourism and creative industries within the locality. Data from 2014 to 2017 showed that whilst there had been an increase in international visits, there had been a decline in local visits and an under exploited day visitor market. There was no cohesive cultural story or brand for the city of Perth, and there was lower productivity of Continuous Improvement compared with the rest of Scotland. In 2016 Perth developed a Cultural Transformation Programme which included capital infrastructure investment of £30m including a new cultural attraction in Perth, a bid for the Stone of Destiny and bids for UK City of Culture 2021 & UNESCO City of Craft.

An outline was given of the FBC for Perth Museum, which was given approval by the Joint Committee in March 2021, which sought to reposition cultural visitor experiences in Perth into two distinct areas:

Ancient Roots: Perth Museum

Modern Scots: Perth Art Gallery

This would be achieved through partnerships between Perth and Kinross Council, Culture Perth and Kinross and Historic Environment Scotland.

Investment objectives of the project were detailed, including growing the regional visitor economy, addressing the tourism market, recognising both past failures and future opportunities, tackling low productivity within the Perth and Kinross cultural sector, ensuring the project would enhance the overall appeal/quality of life to attract wider investment from high value sectors and also diversify the regional economy and also enable the social capital/asset base of Perth and Kinross.

Key milestones in the project timeline were highlighted, including the decision for the return of the Stone of Destiny, and details of planned public programmes were given. Lessons learned by the project team were shared, and it was noted that successful culture-led regeneration:

- Is founded on long-term vision and strategy
- Is clear, consistent & realistic about impact
- Is rooted in deep knowledge & understanding of communities & place
- Is not a silver bullet.

The Chair thanked Fiona for her presentation.

IX 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.

IX AOCB

It was agreed that going forward all presentations would be circulated to members prior to meetings, where this was possible.

X DATE OF NEXT MEETING

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

ITEM No ...4.....

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Monday, 23rd October, 2023.

Present:-

Angus Council

Councillor Kenny BRAES
Councillor Bill DUFF
Councillor Ronnie PROCTOR

Dundee City Council

Councillor John ALEXANDER
Councillor Steven ROME
Councillor Georgia CRUICKSHANK

Fife Council

Councillor David ROSS
Councillor Alycia HAYES
Councillor Jonny TEPP

Perth & Kinross Council

Councillor Grant LAING
Councillor Eric DRYSDALE

Non-Elected Members

Alison HENDERSON, Dundee and Angus Chamber of Commerce
Ronnie PALIN, Skills Development Scotland
Matt LOCKLEY, Scottish Enterprise

Co-Opted Members

Councillor Andrew PARROTT, TACTRAN

Also Present

Roger MENNIE, Dundee City Council
Robert EMMOTT, Dundee City Council
Robin PRESSWOOD, Dundee City Council
Mark DAVIDSON, Angus Council
Barbara RENTON, Perth and Kinross Council
Gordon MOLE, Fife Council
Niall GARDINER, TACTRAN
Gregor HAMILTON, Dundee City Council
Mo SAUNDERS, Tay Cities Deal Programme Manager
Lauren HOLLAS, Tay Cities Deal Project Manager

Councillor Grant LAING, in the Chair

I APOLOGIES

Apologies had been intimated from Councillor Beth WHITESIDE, Angus Council, Councillor John DUFF, Perth and Kinross Council, Hayley MEARNS, Voluntary Action Angus, Iain GILLESPIE, University of Dundee and Mark SPEED, TACTRAN.

II DECLARATIONS OF INTEREST

There were no Declarations of Interest.

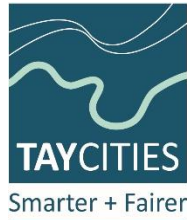
The Joint Committee resolved under Section 50(A)(4) of the Local Government (Scotland) Act 1973 that the press and public be excluded from the meeting for the undernoted item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 3, 6 and 9 of Part I of Schedule 7A of the Act.

III TCD002 DUNDEE AIRPORT INVESTMENT PROJECT – BUSINESS JUSTIFICATION CASE

There was submitted Report No TCRJC10-2023 enclosed and introduced by Robin Presswood, Management Group Sponsor seeking approval of the Business Justification Case for the Dundee Airport Investment Project (TCD002).

The Joint Committee agreed the recommendations in the report.

Councillor Cruickshank intimated her dissent from the foregoing decision.



REPORT TO: TAY CITIES REGION JOINT COMMITTEE – 8TH DECEMBER 2023

REPORT ON: JOINT COMMITTEE MEMBERSHIP – TACTRAN

REPORT BY: MO SAUNDERS, TCRD PMO PROGRAMME MANAGER

REPORT NO: TCRJC11-2023

1. PURPOSE OF REPORT

- 1.1. This report seeks the approval of the Tay Cities Region Joint Committee for Tactran to become a Constituent Member Organisation of the Joint Committee.

2. RECOMMENDATIONS

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

- a) Note the current Joint Committee position and membership; and,
- b) Agree that Tactran becomes a Constituent Member Organisation of the Joint Committee.

3. JOINT COMMITTEE MEMBERSHIP

- 3.1 The Tay Cities Region Joint Committee Governance Agreement, signed by the 4 local authorities in the region in June 2020, states that:

The Joint Committee shall consist of 18 members. 12 members shall be appointed by the Constituent Councils from among their own members. The number of members to be appointed by the Constituent Councils shall be: 3 by Angus Council; 3 by Dundee City Council; 3 by Perth & Kinross Council and 3 by Fife Council. The Joint Committee shall also include 2 private sector members to be appointed by the Tay Cities Regional Business Forum; 1 member to be appointed by the Tay Cities Regional Higher and Further Education Forum; 1 member to be appointed by the region's third sector interface bodies; 1 member to be appointed by Scottish Enterprise; and 1 member to be appointed by Skills Development Scotland.

- 3.2 On 9th November 2018, the Joint Committee agreed that Tactran be co-opted for a period not exceeding two years as an additional non-voting member of the Joint Committee; it was subsequently agreed to extend this position to Tactran on 11th November 2020 and 1st July 2023.

3.3 The current membership is noted below.

Organisation	Members
CONSTITUENT AUTHORITIES	
Angus Council	Cllr Beth Whiteside
	Cllr Bill Duff
	Cllr Ronnie Proctor
Dundee City Council	Cllr John Alexander
	Cllr Steven Rome
	Cllr Georgie Cruickshank
Fife Council	Cllr David Ross
	Cllr Alycia Hayes
	Cllr Jonny Tepp
Perth & Kinross Council	Cllr Grant Laing
	Cllr John Duff
	Cllr Eric Drysdale
CONSTITUENT MEMBER ORGANISATION	
TCRD Enterprise Forum	Alison Henderson, Dundee & Angus Chambers of Commerce
TCRD Enterprise Forum	Vacant
TCRD HE/FE Forum	Iain Gillespie, University of Dundee
Skills Development Scotland	Ronnie Palin
Scottish Enterprise	Matt Lockley
3rd Sector Representative	Hayley Mearns, Voluntary Action Angus
CO-OPTED MEMBERS	
Tactran	Cllr Andrew Parrott

3.4 In November 2022, the Chair of the TCRD Enterprise Forum confirmed to the Management Group that their second allocated voting position was no longer required. This followed a period of vacancy for 2 years. The Management Group considered this and recommend that Tactran become a Constituent Member Organisation.

3.5 The Clerk to the Joint Committee consulted the four Constituent Authorities regarding this proposal and the following approvals have been received:

Local Authority	Update	Status
Angus Council	Agreement has been confirmed	Agreed
Dundee City Council	Agreement has been confirmed	Agreed
Fife Council	Agreement has been confirmed	Agreed
Perth & Kinross Council	<i>Recommendation being presented to PKC on 6th December 2023. An update will be provided to Joint Committee verbally on 8th December 2023.</i>	<i>To be confirmed</i>

4. CONSULTATIONS

4.1 The Clerk and Section 95 Officer have been consulted on this Report.

Report author: Lauren Hollas

Date: 26th October 2023

Title: Tay Cities Project Manager

Email address: Lauren.Hollas@taycities.co.uk

Phone number: 07881008024



REPORT TO: TAY CITIES REGION JOINT COMMITTEE – 8TH DECEMBER 2023

REPORT ON: SUPPORTING SME SKILLS PROJECT NUMBER TCD024c – FULL BUSINESS CASE FOR APPROVAL

REPORT BY: ALISON SMITH, DIRECTOR OF VIBRANT COMMUNITIES AND SUSTAINABLE GROWTH

REPORT NO: TCRJC12-2023

1. PURPOSE OF REPORT

1.1. This report seeks approval by the Joint Committee for the Full Business Case (FBC) for the Supporting SME Skills project (Project Number TCD024c).

2. RECOMMENDATIONS

2.1. The Joint Committee is asked to:

- i. Consider this report and the Full Business Case (FBC) for the ‘Supporting SME Skills’ Project (Project Number TCD024d). The full FBC is available via Sharefile on request;
- ii. Note that Management Group approved the FBC for recommendation to the Joint Committee on 23rd November 2023; and,
- iii. Approve the FBC for the Supporting SME Skills Project.

3. INTRODUCTION

3.1. The Skills and Employability Development programme was awarded up to £20 million as part of the Tay Cities Region Deal in the Deal Signing in December 2020.

3.2. As set out in the Skills and Employability Development programme this project was awarded up to £2.5m. The level of funding subsequently agreed for the project was £2.47m. It will deliver training and upskilling support to the SME business base across the region and contribute towards the strategic objectives of the Deal. The FBC for the Supporting SME Skills project 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 and an Executive Summary is at Appendix 2.

4. DESCRIPTION OF PROJECT

- 4.1. The project will be led by D&AC and will bring together the collective expertise of colleges and universities in the region, supported by key stakeholders, to help make a step change in the volume and responsiveness of the skills training offer.
- 4.2. The project consists of three core elements:

College and University Skills Intelligence Interface. A “client-facing” resource for engaging the business base with the colleges and universities – working in partnership with key stakeholders to raise awareness and ambition amongst business leaders, gathering intelligence on the skills needs/demand of employees/SMEs and helping them understand and access the range of training available and referring businesses to other relevant support provision.

Training Needs Assessment. Specialist training needs advisors will undertake a detailed diagnostic with businesses to identify their skills/training needs. The output of this stage is a bespoke training action plan for referral to the relevant college or university to deliver the training identified. Training intervention costs are covered up to a maximum of £5,000 per business.

Training and Skills Action Plan. The training action plan will identify a set of bespoke activities and milestones for the supported employee/SME to undertake. This will comprise a mix of short online and industry recognised/accredited training – onsite and day release.

5. FINANCIAL IMPLICATIONS

- 5.1. This project is currently profiled to spend a total of £2.47m revenue from the Tay Cities Region Deal funding. The funding is anticipated to be drawn down as follows:

Year	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
	4	5	6	7	8	9	10	
Funding (£'000)	£436	£449	£316	£310	£290	£239	£430	£2,470
% of total	18%	18%	13%	13%	12%	10%	17%	100%

- 5.2. The project is not anticipated to leverage any additional funding.

6. IMPLEMENTATION PLAN

- 6.1. Milestones

Milestone	Date	Status
OBC submitted	October 2022	Complete
OBC approved	February 2023	Complete
FBC submitted	June 2023	Complete
FBC approved	December 2023	Pending
Procurement of Training Needs Advisors	August 2023	Complete
Project start	September 2023	Complete
Project ends	March 2030	Ongoing

6.2. Outcomes and Targets

Benefits – Linked to BRP	Target by 2029/30
Jobs created	2
Jobs protected	153
Training places	619
<i>Number of females benefitting from training</i>	308
<i>Number of people from BAME background benefitting from training</i>	17
<i>Number of people aged 16-24 benefitting from training</i>	68
<i>Number of disabled people benefitting from training</i>	62
<i>Number of people living in SIMD communities in top 20% most deprived benefitting from training</i>	115
<i>Number of parents benefitting from training</i>	155
SMEs supported	310
Additional Benefits	
GVA uplift (£m)	£8.1
Salaries uplift (£m)	£4.2

6.3. Key Project Risks and Mitigations

Risk Category	Risk	Mitigation
Design and development	Project does not meet the needs of the business base	Engagement from key partners and options workshop to agree the scope. Ongoing engagement with the business base via established relationship and channels to inform project design.
Design and development	Lack of buy-in and support from project partners	MoU and ToR are in place at the start of the project.
Implementation	Delays in project starting	On-going discussion and engagement with PMO and project manager in place to support implementation.
Implementation	Unable to recruit experienced training needs advisors/ delivery team	Open procurement tendering process and use of D&AC and partners networks.
Implementation	Funding not in place at the project outset	On-going discussion and engagement with PMO to ensure that funding is in place for project start.
Implementation	Project does not meet TCRD requirements and OBC is not approved	On-going discussion and engagement with PMO to ensure that the project fits with the programme OBC and TCRD.
Operational	Project team do not have the skills or experience to deliver	Experienced project manager appointed and external recruitment exercise to attract and secure good quality delivery team/training needs advisors.
Operational	Project team do not have the skills or experience to manage the project	Appropriate governance and management structures put in place at project outset based on D&AC's current arrangements for delivering industry training – named individuals with their roles and responsibilities outlined.
Operational	Cost overruns	Regular budget monitoring and cost engineering, as required.

Operational	Displacement of activities	Ongoing communication and engagement with partners to ensure complementarity of service and reduce chance of duplication.
Operational	Cost underspend	Regular budget monitoring and cost engineering, as required.
Operational	Demand from business base is lower or higher than anticipated	Ongoing monitoring and gathering intelligence (e.g. via the Business Barometer) from the business base to help shape and inform demand. This will be used alongside a dedicated marketing and promotion programme through the College and University Skills Intelligence Interface.
Operational	Impacts are lower than anticipated	Ongoing monitoring of project performance and interim evaluation (3 years post -stat to assess performance). Impact targets informed by a detailed economic appraisal undertaken by independent experts and includes optimism bias sensitivity.
Operational	Duplication of existing support and services	Ongoing communication and engagement with partners to ensure complementarity of service and reduce chance of duplication.

7. DECISION PATHWAY

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

Decision pathway milestones and planned timeline			
Stage	Milestone	Planned date	Date achieved
OBC	Governments' approval	-	23 November 2022
	Thematic Board recommendation	-	December 2022
	Management Group approval	-	24 February 2023
	Joint Committee informed	-	23 March 2023
FBC	Submission of FBC (to PMO who forward to governments)	-	August 2023
	Governments' approval	-	12 October 2023
	Thematic Board recommendation	-	11 October 2023
	Management Group recommendation	23 <i>November</i> 2023	23 November 2023
	Joint Committee approval	8 <i>December</i> 2023	TBC

8. CONDITIONS

8.1. There are no conditions on which approval of the FBC is based – final comments from Scottish Government reviewers received (12/10/2023) with regards the economic case and appendices C and D have been addressed and updated in the most recent version of the FBC. Two recommendations were provided by Scottish Government that the project team will keep under review (but these are not conditions of grant award or approval):

1. The Communication Plan should be updated and shared with Scottish Government when appropriate
2. As the project moves into delivery, the project owner considers a) a capacity building intervention in terms of train the trainer would further encourage the SMEs to engage with training for their own businesses after the lifetime of the project and b) how will they be encouraging SME businesses to take responsibility for their own upskilling/reskilling after this project has completed.

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. Provide a summary of any outputs or opportunities or link to the relevant information.
- 9.2. Inclusivity, equal representation and collaborative, healthy partnerships and shared learning and open communication are at the core of the design, structures and activities of supporting SME skills project.
- 9.3. The project will be marketed and promoted to all SMEs in Tay Cities Region through various networks – social media, partners own networks, Business Gateway, etc. All promotional materials will be accessible for those with disabilities and where English is not their first language. Where appropriate, the partners will look to engage with wider networks groups to ensure the project is able to penetrate into communities or groups where engagement with public sector support is typically lower, for e.g. Dundee University (key partner) has a BME Staff Network that could help lead wider promotion within BAME communities.
- 9.4. The training support itself will be targeted and tailored to the individual needs of the business/individuals– the training needs assessment will be delivered by accredited training providers that will have undergone training to ensure compliance and deliver against the aspirations.
- 9.5. The project has identified targets aligned to the equalities framework to ensure that partners are proactively engaging with, and supporting, those with protected characteristics – specifically, those living in top 20% most deprived communities (SIMD), females, people from BAME background, disabled people, people aged 16-24.
- 9.6. Those with protected characteristics will have opportunity to engage with, and benefit from training. The longer-term economic impacts are regarded as increased salaries/wages and productivity.
- 9.7. The project supports The Scottish Governments ‘key actions for achieving inclusive growth’ which are:
 1. Promoting fair work and good-quality jobs – the project will encourage and support business to sign up to the Scottish business pledge and pay employees the real living wage;
 2. Promoting equality and tackling inequality - The collaborative cross sectoral partnership, design and resourcing is aimed at directly ensuring equality;
 3. Closing the attainment gap – the support will provide access to bespoke training support to help individuals gain recognised

- qualifications that will improve their careers prospects and give them access to higher quality jobs; and
4. Place and regional cohesion – the project brings together key partners from across Tay Cities 4 local authorities.

10. CONSULTATIONS

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

- Skills Programme Manager: Andy Brown
- Responsible Finance Officer: Brian Ferguson
- Management Group Sponsor: Alison Smith

Report author: Caroline Crichton

Title: Senior Project Manager, Dundee and Angus College

Email address: caroline.crichton@dundeeandanguscollege.ac.uk

Phone number: 01382 918073

Date: October 2023

APPENDIX 1

Project Information	
Project number	TCD024c
Project name	Supporting SME Skills
Project owner	Dundee and Angus College
Project Finance Director	Brian Ferguson
Management Group Sponsor	Alison Smith
Award amount under TCD	£2.47m
Jobs: Target number of jobs to be created	153 safeguarded and 2 created
Leverage to be achieved	0

APPENDIX 2

Executive Summary
Introduction

The Full Business Case (FBC) has been prepared by the lead partner, Dundee and Angus College (D&AC) and is requesting £2.47 million revenue funding through the Tay Cities Region Deal (TCRD) Skills and Employability Development Programme to deliver a targeted skills project that seeks to support the SME business base across the Tay Cities Region.

TCRD Financial Ask

	Capital	Revenue
City Deal Ask	NA	£2.47m
Value Awarded in HoT	NA	£2.47m

The Supporting SME Skills project sits under **Theme 1: Regional leadership and improvement** and **Theme 2: Understanding labour market need and opportunity** of the wider Tay Cities Deal Skills and Employability Development Programme. The project will be led by D&AC and will bring together the collective expertise of the colleges and universities in the region, supported by key stakeholders, to help make a step change in the volume and responsiveness of the skills training offer.



Strategic Case

Strategic Context

The project has demonstrated a strong fit with, and contribution towards, relevant national, regional, and local policy priorities – specifically, supporting inclusive growth/Fair Work, ensuring the Tay Cities Region has a skilled and capable workforce and addressing the productivity gap with Scotland.

Table 1.1: Key Policy Fit

National Policy	Regional Policy	Local Policy:
Scotland's National Strategy for Economic Transformation (2022)	Tay Cities Region Economic Strategy (2019)	Dundee City Council Plan 2022 – 2032
Scotland's Labour Market Strategy (2016)	Tay Cities Deal Skills and Employability Development Programme (2021)	Angus Council Plan 2019 – 2024
Fair Work Action Plan (2021)	Tay Cities Regional Skills Investment Plan (2019)	Perth & Kinross Council Corporate Plan 2022/23 – 27/28
Scotland's approach to Community Wealth Building (2020)		Fife's Economic Strategy 2017 – 2027
Fit for the Future: developing a post-school learning system to fuel economic transformation, Skills Delivery Landscape Review (2023)		
Purpose & Principles for Post school education, skills and research (2023)		

The Case for Change

There are five investment objectives that support the project which have been developed to align with, and address, the identified problem/ need, demand, and opportunity within the Tay Cities Region – see **Table 1.2**, over.

Investment Objectives

Table 1.2: Supporting SME Skills SMART Investment Objectives

Objective	Specific	Measurable	Achievable	Relevant	Time Bound	Contribution and alignment to Programme Objectives and level
Address duplication/gaps to enhance the volume and value of support for training through co-ordinated intervention for SME businesses by bringing together the combined resources of the colleges, universities and business support providers in the region.	New skills and training development service/ vehicle developed.	Establishment of new partnership.	Partners have been involved with the development of the project since 2019. Terms of Reference have been prepared – Appendix F of the FBC.	Fragmented and small-scale business training support provision is identified in the Skills and Employability Programme OBC and through the partner workshops as a key challenge/issue across the Tay Cities Region.	To be achieved by the end of the TCRD programme funding period – 2029/30.	Enhancing the ability of partners to work collaboratively to build a more inclusive, innovative and future-proofed job market
Increase the uptake of training by the SME business base by raising awareness of the available support and promoting the impacts and benefits of skills development.	Increasing the total businesses engaged and undertaking training – 310 over the Deal lifetime.	Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation.	Targets for engagement and outputs are based on the profiled revenue budget, scale of the market opportunity and partners input based on experience of delivering business support across the region.	Low levels of training being undertaken within the SME base. Skills gaps and challenges identified by partners and within the Regional Skills Investment Plan.	To be achieved by the end of the TCRD programme funding period – 2029/30.	Increasing the visibility of job and learning opportunities for our residents
Enhance the productivity of the SME base and support diversity, resilience, and growth within the Tay Cities Region.	Productivity is increased through a ‘training premium’ effect” - £8.1m (gross/undiscounted) over the Deal lifetime.	Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation.	Based on previous evaluation evidence of outcomes delivered through similar support services – Department for Work and Pensions, Training and Progression in the Labour Market.	The ‘performance gap’ with Scotland has been increasing and 2019 data shows that the Tay Cities Region has: Lower salaries - £536 PW (-7.5% lower than Scottish average). Lower GVA per job - £44,896 (-17% lower than Scottish average). Lower jobs density ratio – 0.74 (-10% lower than Scottish	To be achieved by the end of the TCRD programme funding period – 2029/30.	Opening new and diverse talent pools to businesses and demonstrating the value of inclusive employment practices Enhancing the ability of partners to work collaboratively to build a more inclusive, innovative and future-proofed job market

<p>Address skills shortages and gaps by increasing the proportion of the workforce undertaking training/skills development.</p>	<p>Increase the number of employees undertaking training – 619 over the Deal lifetime.</p>	<p>Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation.</p>	<p>Targets for engagement and outputs are based on the profiled revenue budget, scale of the market opportunity and partners input based on experience of delivering business support across the region.</p>	<p>average). In comparison with the Scottish average, the Tay Cities Region has a lower proportion of the workforce in 'higher skilled' occupations (43.2% v 44.3%), and a higher proportion of the workforce in 'lower skilled' occupations (13.5% v 10.8%).</p>	<p>To be achieved by the end of the TCRD programme funding period – 2029/30.</p>	<p>Increasing the visibility of job and learning opportunities for our residents Opening new and diverse talent pools to businesses and demonstrating the value of inclusive employment practices Enhancing the ability of partners to work collaboratively to build a more inclusive, innovative and future-proofed job market</p>
<p>Support the SME base to create greater access to Fair Work opportunities and contribute to inclusive growth</p>	<p>Increase in the number of jobs safeguarded that pay/commit to pay the Real Living Wage - 153 over the Deal lifetime.</p>	<p>Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation.</p>	<p>Based on previous evaluation evidence of outcomes delivered through similar support services and Cost-Benefit Analysis.</p>	<p>Delivering inclusive growth is a key policy priority for the Scottish Government. Across Tayside, 20.8% of jobs paid less than Real Living Wage compared with 16.9% in Scotland (2019 data).</p>	<p>To be achieved by the end of the TCRD programme funding period – 2029/30.</p>	<p>Enhancing the ability of partners to work collaboratively to build a more inclusive, innovative and future-proofed job market</p>

Problem/Need and Demand

The rationale for intervention is founded on a strong evidence base that demonstrates systemic challenges across the region, including:

Limited Availability of Bespoke and Tailored Training and Skills Support

While there are existing support providers, feedback from the partners - and as outlined in the Regional Skills Investment Plan (RSIP) and Skills and Employability Programme OBC - is that the support landscape is cluttered and fragmented with limited cross-organisation working and collaboration. As a result, the available support is small-scale and not aligned/joined up which has resulted in both duplication and gaps in the service offering.

Lack of Investment and Uptake in Training

One of the key challenges facing the SME businesses base in the Tay Cities Region is that there is underinvestment in training/skills and developing the workforce. A large proportion of the business base are small and micro businesses and operate within 'lower value' sectors – 88% are micro businesses (73% have less than four employees) and 35% have an average annual turnover of less than £100,000.

Due to constraints on staff time and resources, encouraging SMEs and in particular, micro businesses to engage in training and skills offerings can be challenging. The RSIP identifies that:

- around 17% of employers reported skills gaps in their existing workforce (these can be due to a range of factors including recently recruited staff not yet up to speed); and
- 41% of employers reported cases of underutilisation of skills within their workforces.
-

Growing Productivity Gap

Over the past 10 years (2010 – 2020), the Tay Cities Region has consistently underperformed in comparison with Scotland and the data shows that the 'gap' with Scotland has been increasing:

- Productivity: Tayside decreased by -4.8% or -£2,200 per employee and Fife decreased by -11.7% or -£5,700; and
- Gross Value Added (GVA): Tayside decreased by -3.6% or -£328m and Fife decreased by -9.4% or -£661m.

Key Elements and Deliverables

The project consists of three core elements.

1. College and University Skills Intelligence Interface

A “client-facing” resource for engaging the business base with the colleges and universities – working in partnership with key stakeholders to raise awareness and ambition amongst business leaders, gathering intelligence on the skills needs/demand of employees/SMEs and helping them understand and access the range of training available and referring businesses to other relevant support provision.

- The resource will provide a range of services and online tools, including:
- Marketing and promotion of the SME Skills project;
- Acting as the point of referral into the project – there will be an online sign-up and initial triage;
- Providing advice and guidance to business leaders to raise their knowledge and ambition with regards to training and upskilling/reskilling their workforce; and
- Acting as a conduit between industry and the partners – gathering and disseminating intelligence – this will help ensure that partners are able to consistently map the skills gaps and shortages (both current and in the future) that are identified by industry. This approach ensures that the project remains responsive to the evolving needs of industry.

2. Training Needs Assessment

Specialist training needs advisors will undertake a detailed diagnostic with businesses to identify their skills/training needs. The output of this stage is a bespoke training action plan for referral to the relevant college or university to deliver the training identified. Training intervention costs are covered up to a maximum of £5,000 per business. Partnership work is crucial here, to avoid duplication or repetition of this assessment stage - the success of this project will be underpinned by fostering a culture of commitment and collaboration across the partners. If a business needs assessment has been undertaken by another key stakeholder, it will serve as the starting point for the training action plan.

The project will employ 2 FTE training needs advisors who will be based at D&AC (there will also be a small management and administration resource – 0.3 FTE).

3. Training and Skills Action Plan

The training action plan will identify a set of bespoke activities and milestones for the supported employee/SME to undertake. This will comprise a mix of short online and industry recognised/accredited training – onsite and day release.

As the project will deliver tailored support to the SME base it is not envisaged that there will be a specific sector focus. As noted above, the College and University Skills Intelligence Interface will act as main point of intelligence for the project - mapping the skills gaps and shortages (demand) within industry across the region. Nonetheless, based on evidence from the evaluation of the FWDF on the demand for support and engagement with partners, we have identified the following broad areas¹

- Green skills, net zero and the circular economy;
- Digital – cyber security, programming, e-commerce, automation;
- Hospitality;
- Engineering – ‘hand skills’ such as welding, CNC programming;
- Professional specialisms - environmental consultants, quantity surveyors, architects and planners;

¹ These training areas are indicative and not exhaustive.

- Business – leadership & management, project management, event management; and
- Occupational health and safety.

Economic Case

An economic assessment has identified the following benefits that will be generated throughout the lifetime of the project.

Table 1.3: Net Present Social Value – Preferred Option

	Undiscounted (£m)	Net Present Value (£m)
Capital	£-	£-
Revenue/ current	£2.3	£1.9
Risk retained	£-	£-
Optimism bias	£0.5	£0.4
Total costs	£2.8	£2.2
Less cash releasing benefits	£-	£-
Costs net cash savings	£2.8	£2.2
Non-cash releasing benefits	£8.4	£6.5
NPSV	£5.6	£4.2
BCR	£3.0	£2.9

Quantitative Benefits and Targets

The targets have been developed to reflect the wider aspirations of the TCRD and Employability and Skills programme and support the Benefits Realisation Plan.

Table 1.4: Supporting SME Skills Project Impacts (up to 2029/30)

Benefits – Linked to BRP	Target
Jobs created	2
Jobs protected	153
Training places	619
<i>Number of females benefitting from training</i>	308
<i>Number of people from BAME background benefitting from training</i>	17
<i>Number of people aged 16-24 benefitting from training</i>	68
<i>Number of disabled people benefitting from training</i>	62
<i>Number of people living in SIMD communities in top 20% most deprived benefitting from training</i>	115
<i>Number of parents benefitting from training</i>	155
SMEs supported	310
Additional Benefits	
GVA uplift (£m)	£8.1
Salaries uplift (£m)	£4.2

Commercial Case

Procurement Strategy

Recruitment will comply with D&AC's recruitment strategy, policy and procedure. All other procurement will comply with D&AC's Procurement Strategy, Policy, and Procedure. The latter procurement service is managed via an Advanced Procurement for Universities and Colleges (APUC) shared service agreement and as a member of the Tayside Region Procurement Team with Abertay University.

D&AC also follow the Scottish Government's Procurement Journey as best practice for public sector procurement.

Required Services

Where feasible and appropriate the lead partner, D&AC will have direct responsibility for delivering elements of the project. The project will seek to procure the following services:

- Training Needs Advisor * 2 FTE posts – this will be led by D&AC with the advisors based within the College working alongside the partners' business development teams; and
- 2 days per month of marketing support. The intended approach is based upon a successful model that D&AC uses for business engagement with an existing supplier.

Risk Transfer and Payment Mechanisms

Risk

As the lead delivery partner and accountable body, most of the risks will be assigned to, and managed by, D&AC. Risk Register that will act as a "live document" during the development, implementation, and delivery of the project.

Payment Mechanisms

D&AC will be the main budget holder for the project. On creation of a Training Needs Action Plan, the training needs advisors will work with the SME and the project partners to identify which project partner is the most suitable training provider. On completion of training, the providing college or university will submit a claim direct to D&AC. Upon receipt of funds, D&AC will request an invoice from the providing College or University for payment of the claim amount. Where training delivery crosses financial years, progress of training delivery will be tracked such that interim claims can be made by the training provider.

The maximum value available per intervention is £5,000 and any additional support needs identified will be funded by the SME directly. A cancellation/payment policy will be agreed between the relevant parties.

Financial Case

Financial Expenditure

The total costs for the project are estimated at £2.47m over the period (2023/24 – 2029/30). The main budget lines and expenditure profile are presented at **Table 1.5** and **1.6**.

Table 1.5: Supporting SME Skills Project Costs

Budget Line	£ (000)
Management, administration, and monitoring	£100.9
Marketing/ promotion and 1-many events	£116.5
Training Needs Advisors (salary costs, N I, pensions)	£704.4
Suppliers Costs – training/ skills development	£1,548
Reclaimable VAT included above	-
Total	£2,470

Table 1.6: Supporting SME Skills Overall Expenditure Profile (£'000)

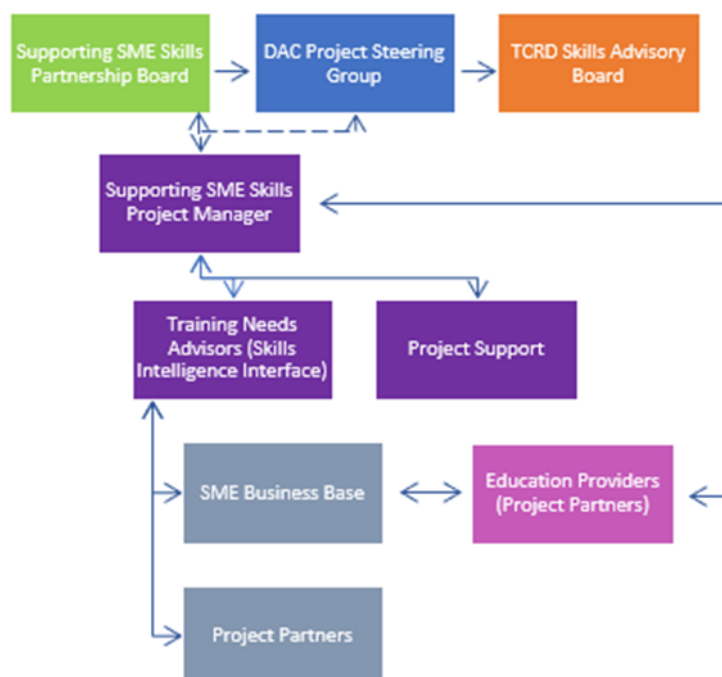
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	4	5	6	7	8	9	10	
Expenditure (£'000)	£436	£449	£316	£310	£290	£239	£430	£2,470
% of total	18%	18%	13%	13%	12%	10%	17%	100%

Management Case

Project Management and Delivery Arrangements

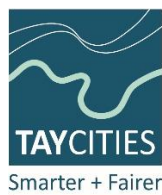
The D&AC Project Steering Group (PSG) provides oversight for all the TCRD projects that D&AC are leading and involved with. The PSG is chaired by the Vice Principal for Curriculum and Attainment and supported by the College's Senior Project Manager. From a strategic perspective, the project will be overseen by a Partnership Board. The board will be comprised of representatives from each partner and will report to the PSG.

Project delivery will be led by the project manager, Caryn Gibson, who is D&AC's Business Partnerships Manager (who reports to the Partnership Board) and supported by the training needs advisors and partners' business development teams ensuring greater integration and collaboration.

Figure 1.1 SME Skills Project - Governance and Management Structure

Benefits Realisation

A benefits/ outcome plan for the project has been developed (see **Appendix D** of the FBC) and will align to the overarching Programme Benefits Realisation Plan. **Table 1.4** (above) outlines the quantitative targets that the project will deliver and report against. In addition, there are several qualitative/intangible metrics that will be captured and reported to help understand the wider and cross-cutting benefits and impacts (outlined within the Economic Case).



REPORT TO: TAY CITIES REGION JOINT COMMITTEE – 8TH DECEMBER 2023

REPORT ON: LIFE SCIENCES BIOTECHNOLOGY AND MEDICAL TECHNOLOGY:
GROWING THE TAYSIDE BIOTECH, BIOMEDICAL AND AGRITECH
SECTORS (PROJECT NUMBER TCD024b) – BUSINESS
JUSTIFICATION CASE FOR APPROVAL

REPORT BY: ALISON SMITH, DIRECTOR OF VIBRANT COMMUNITIES AND
SUSTAINABLE GROWTH

REPORT NO: TCRJC13-2023

1. PURPOSE OF REPORT

- 1.1. This report seeks approval by the Joint Committee for the Business Justification Case (BJC) for the Life Sciences Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech Sectors (Project Number TCD024b).

2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to:
 - i. Consider this report and the Business Justification Case (BJC) for the Life Sciences Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech Sectors (Project Number TCD024c). The full BJC is available via Sharefile on request;
 - ii. Note that Management Group approved the BJC for recommendation to the Joint Committee on 23rd November 2023, and,
 - iii. Approve the BJC for the Life Sciences Biotechnology and Medical Technology Skills Project.

3. INTRODUCTION

- 3.1. The Skills and Employability Development Programme was awarded up to £20 million as part of the Tay Cities Region Deal in the Deal Signing in December 2020. As set out in the Skills and Employability Development Programme the Life Sciences project was awarded up to £2m. The level of funding subsequently agreed for the project was £1.975m.

- 3.2. This project will deliver a curriculum of new/updated courses, qualifications and career pathways across the three regional colleges – Dundee and Angus College, UHI Perth and Fife College – in the subject areas of biotech, medtech and agritech. The BJC for the Life Sciences Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech Sectors project 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.
- 3.3. The key project information is at Appendix 1 and an Executive Summary is at Appendix 2. The project will deliver, in partnership, new career pathways into the region’s burgeoning life sciences sector. It will create new education and training opportunities across various SVQ levels with a focused programme of engagement to reach those who are far from and/or underrepresented in the labour force.

4. DESCRIPTION OF PROJECT IN THE DEAL DOCUMENT

- 4.1. The BJC has been prepared by the lead partner, Dundee and Angus College (D&AC) and is requesting £1.975 million revenue funding through the Tay Cities Region Deal Skills and Employability Development Programme to deliver a targeted intervention that is focused on upskilling and reskilling to support sector growth within the Biotech, Biomedical and Agritech Cluster.
- 4.2. The Life Sciences Biotechnology and Medical Technology project seeks to establish a partnership between the three regional colleges – D&AC, UHI Perth and Fife College –, the James Hutton Institute, the University of Dundee and Dundee Science Centre to develop new, and enhance existing, course provision across a range of SCQF levels to create new learning and career pathways for prospective learners to meet the skills needs of the growing biotech, biomedical and agritech sectors.
- 4.3. The project will help meet industry demand in three growth sectors where there is a need for new and replacement lab staff, across a range of positions/occupations from introductory scientific support and lab technician to lab management roles.

5. FINANCIAL IMPLICATIONS

- 5.1. This project is currently profiled to spend a total of £0 capital and £1,975,000 revenue from the Tay Cities Region Deal. The funding is anticipated to be drawn down as follows:

Year	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
	4	5	6	7	8	9	10	
Funding (£'000)	£257	£350.346	£375.029	£224	£226	£229	£313.625	£1,975
% of total	13%	18%	19%	11%	11%	12%	16%	100%

- 5.2. The project has no levered funding.

6. IMPLEMENTATION PLAN

6.1. Milestones

Deliverable	Due Date	Status
Establish formal partnership between the three regional colleges – Dundee and Angus College, UHI Perth and Fife College	31 December 2023	Started
Appointment of project staff – Project Manager, Project Office, Administrative/Finance Assistant	31 December 2023	Started
Begin work to map existing biotech, medtech and agritech course provision across partner colleges	31 March 2024	Not Started
Procurement of kit and equipment	31 March 2024	Started
School engagement programme commences	1 October 2024	Not Started
Development/accreditation of first new course	31 March 2025	Not Started

6.2. Outcomes and Targets

Targets	Baseline	Target Uplift	Date
New Jobs Created	0	2.5	End 2023/24
New HND/C Students enrolled	0	110	End 2029/30
New MA Students enrolled	0	29	End 2029/30
Newly created work placements	0	56	End 2029/30
Number of school visits	0	84	End 2029/30
New courses developed	0	8	End 2029/30

6.3. Key Project Risks and Mitigations

Risk	Mitigation
Lower than expected student uptake in newly developed courses. This results in missed revenue opportunities for the colleges; and for industry an under supply of skilled entrants into the labour force. Sector growth may be inhibited, or companies will look outwith the Tay Cities Region.	The partner colleges will promote the new courses and training opportunities. There will be regular engagement with local schools (primary and secondary), host annual events, engage in programmes at the Dundee Science Centre to promote their courses and careers within the sectors. The project will also engage with local companies to promote in-work courses and training.

Forecast industry growth and demand for labour is lower than expected. The Tay Cities Region will absorb the cost of training and upskilling but full economic benefits will not be realised or will leak out of the Tay Cities Region economy.	There will be regular engagement with industry partners (through the Curriculum Development Steering group and project manager) to assess the current and future demand for skilled workers. As this is a 7-year project it is expected that demand will evolve over time and the project will respond to these changes. College and university partners will work with industry partners including start up and spin outs to provide work placements and training using the latest technologies and equipment.
Graduates/Achievers do not end up with the right skills and training. New entrants require further on the job training, efficiencies and productivity gains are delayed. Companies may not want to make additional investment in training and look outwith the Tay Cities Region for skills.	Industry leaders within the Curriculum Development Steering group and other industry partners will be directly consulted to advise and shape the course curriculum to ensure graduates are work ready and have appropriate qualifications.
There is a shortfall in funding. The full range of courses needed do not get developed and there are gaps in training and skills provision.	Identify a wide range of funding options including existing funding partners. Potential public sector funders include: SE, SDS, SFC, other TCD skills projects. Potential to leverage funding from private sector participants.
There will be gaps or overlap in new course provision. The result will be inefficiencies in spending and suboptimal course choice for prospective learners.	The partner colleges will engage in an initial mapping exercise to determine which partners are best placed to deliver which courses and meet local demand for courses and skills.

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)		19/09/2023
	Governments' approval		20/11/2023
	Thematic Board recommendation		11/10/2023
	Management Group recommendation	23/11/2023	23/11/2023
	Joint Committee approval	08/12/2023	

8. CONDITIONS

- 8.1. There are no conditions on which approval of the BJC is based – the Scottish Government requested that the Project make minor adjustments to the BJC ahead of presentation to Joint Committee. The Skills Programme Owner who has overall accountability for the Skills Projects within the Deal, has given assurance that the changes have been made and have been shared with Governments for information.

9. POLICY IMPLICATIONS

- 9.1. The project contributes to the National Strategy for Economic Transformation. NSET aims to create a “Fairer and More Equal Society” by reorienting the economy towards wellbeing and fair work, delivering higher rates of employment and wage growth, significantly reducing structural poverty, particularly child poverty, and improving health, cultural and social outcomes for disadvantaged families and communities.
- 9.2. The project will contribute to this aim and promote inclusive growth in a myriad of ways. The project is specifically aimed at reaching those who are far from the workforce through outreach and employment pathways – focusing on those living in the top 20% most deprived communities. Other the project also create new re-skilling options which will benefit those who are in “in-work” poverty and increase the opportunity to access higher paying jobs.
- 9.3. Further to this, the project has developed specific targets around equalities and inclusion which can be found in detail in Appendix F of the BJC document. In short, these targets are designed to ensure that groups who are under-represented in the life sciences sector (e.g. women, BAME, those from deprived areas) are accessing the newly created education and training opportunities created by the project.
- 9.4. The project further supports the Scottish Governments ‘key actions for achieving inclusive growth’ which are:
 - Promoting fair work and good-quality jobs – the project will encourage and support business to sign up to the Scottish business pledge and pay employees the real living wage;
 - Promoting equality and tackling inequality - The collaborative cross sectoral partnership, design and resourcing is aimed at directly ensuring equality;
 - Closing the attainment gap – the support will provide access to bespoke training support to help individuals gain recognised qualifications that will improve their careers prospects and give them access to higher quality jobs; and
 - Place and regional cohesion – the project brings together key partners from across Tay Cities 4 local authorities.
- 9.5. Further information on the project’s consideration of equalities can be found in **Appendix I** of the BJC document.

10. CONSULTATIONS

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

Skills Programme Manager: Andy Brown
Responsible Finance Officer: Brian Ferguson
Management Group Sponsor: Alison Smith

Report author: Caroline Crichton
Title: Senior Project Manager, Dundee and Angus College
Email address: c.crichton@dundeeandangus.ac.uk
Phone number: 01382 918073

Date: 30 October 2023

APPENDIX 1

Project Information	
Project number	TCD024c
Project name	Life Sciences Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech Sectors
Project owner	Dundee and Angus College
Project Finance Director	Brian Ferguson
Management Group Sponsor	Alison Smith
Award amount under TCD	£1,975,000
Jobs: Target number of jobs to be created	2.5 FTE direct
Leverage to be achieved	£0

Executive Summary

Context

The Business Justification Case (BJC) has been prepared by the lead partner, Dundee and Angus College (D&AC) and is requesting £1.975 million revenue funding through the Tay Cities Region Deal (TCRD) Skills and Employability Development Programme to deliver a targeted skills project that is focused on upskilling and reskilling to support sector growth within the Biotech, Biomedical and Agritech Cluster.

TCRD Financial Ask

	Capital	Revenue
City Deal Ask	NA	£1.975m
Value Awarded in HoT	NA	£1.975m

The Life Sciences Biotechnology and Medical Technology project sits under **Theme 4: Targeted Skills Interventions** of the wider Tay Cities Deal Skills and Employability Development Programme. The project will be led by D&AC with support from key education and training providers in the region – UHI Perth and Fife College – and will develop new course offerings in the life sciences to support growth in the regional biotech, biomedical and agritech sectors.

The project is supported by a further network of secondary partners, including:

- University of Dundee;
- James Hutton Institute; and
- Dundee Science Centre.

Strategic Alignment and Contribution

The project has demonstrated a strong fit with, and contribution towards, relevant national, regional, and local policy priorities

Scotland Level

- National Strategy for Economic Transformation (2022)
- Post-school education, research and skills - purpose and principles
- Life Science Strategy for Scotland 2025 Vision (2017)
- National Plan for Industrial Biotechnology (2019)
- Life and Chemical Science Skills Investment Plan (2018)
- Scottish Vision for Agriculture (2022)

Tay Cities Level

- Tay Cities Region Economic Strategy (2019)
- Tay Cities Deal Skills and Employability Development Programme (2021)
- Tay Cities Regional Skills Investment Plan (2019)

Local Level

- Dundee City Council Plan 2017 – 2022
- Angus Council Plan 2019 – 2024
- Perth & Kinross Council Corporate Plan 2018 – 2022
- Fife's Economic Strategy 2017 – 2027

Case for Change

The investment objectives for the project have been developed in collaboration with partners and outline what the partnership seeking to achieve by way of targeted outcomes. See **Table 1.1** for the SMART project investment objectives.

Table 1.1: Life Sciences Biotechnology and Medical Technology SMART Investment Objectives

Objective	Specific	Measurable	Achievable	Relevant	Time Bound
1. Develop a multi-stakeholder partnership to deliver a targeted and place-based package of training to support the growth of the biotech, biomedical and agritech sectors in the Tay Cities Region	New skills and training development service/vehicle developed. 1 new regional college partnership	Establishment of new partnership	A Memorandum of Understanding and draft Terms of Reference will be prepared	Demand for labour and skills from the biotech, biomedical and agritech sectors is identified in the programme-level OBC. Existing training and course provision from the colleges is not up to date or aligned with demand from industry.	To be achieved in Year 4 of the TCD programme funding period – 2023/24
2. Raise awareness of the broad range of job roles and employment opportunities in biomedical and agritech sectors	Number of primary and secondary schools visited – 84: 40 Primary and 44 Secondary (all secondary school in Tay Cities Region) Marketing and engagement campaign	Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation	Targets for engagements are based on the profiled revenue budget and information from D&AC.	Low levels of student uptake in science programmes and skills gaps and challenges identified by partners and within the Regional Skills Investment Plan	To be achieved by the end of the TCD programme funding period – 2029/30
3. Develop and deliver appropriate education and training provision to develop vocational pathways for technicians and administrators to support the growth of biotech, biomedical and agritech sectors in the Tay Cities Region	Number of additional HND/C students enrolled - 110 Number of additional modern apprenticeship students enrolled - 29	Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation	Targets for student uptake are based on historical student enrolment data from all three partner colleges.	Delivering inclusive growth is a key policy priority for the Scottish Government. Across Tayside, 20.8% of jobs paid less than Real Living Wage compared with 16.9% in Scotland (2019 data).	To be achieved by the end of the TCD programme funding period – 2029/30

<p>4. Ensure that the anticipated growth in the biotech, biomedical and agritech sectors delivers benefits and employment opportunities at different skills levels to Tayside residents</p>	<p>Increased uptake of training by residents of Tay Cities Region across apprenticeship levels – 85% of uptake by those living in the region.</p> <p>Number of work placements within Tayside companies – 10 per year</p>	<p>Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation</p>	<p>Targets for engagement and outputs are based on the profiled revenue budget, scale of the market opportunity and partners input based on experience of delivering training and education in the region.</p>	<p>In comparison with the Scottish average, the Tay Cities Region has a lower proportion of the workforce in 'higher skilled' occupations (43.2% v 44.3%), and a higher proportion of the workforce in 'lower skilled' occupations (13.5% v 10.8%)</p>	<p>To be achieved by the end of the TCD programme funding period – 2029/30</p>
<p>5. Support the competitiveness of Tayside as a region for biotech, biomedical and agritech sectors by developing a skilled workforce at all levels</p>	<p>Output increased (Net Additional GVA) £314,000 in 2029/30</p> <p>Personal income increased (Net Additional Salaries) £124,000 in 2029/30</p>	<p>Measurable through ongoing project monitoring data – quarterly and annual reporting and ex-post evaluation</p>	<p>Based on previous evaluation evidence of outcomes delivered through similar channels.</p>	<p>The 'performance gap' with Scotland has been increasing and 2019 data shows that the Tay Cities Region has:</p> <p>Lower salaries - £536 PW (-7.5% lower than Scottish average)</p> <p>Lower GVA per job - £44,896 (-17% lower than Scottish average)</p> <p>Lower jobs density ratio – 0.74 (-10% lower than Scottish average)</p>	<p>To be achieved by the end of the TCD programme funding period – 2029/30</p>

Business Needs

The need and demand for the project has been informed through:

- desk-based analysis presented within the programme-level OBC which reviewed historical trends in terms of the performance of the Tay Cities economy;
- workshop with key stakeholders and project partners to build on, and develop, the evidence base for intervention; and
- A primary skills need assessment of the Tay Cities science sector.

The challenges with the existing arrangements are considered below:

- Lack of skills and up-to-date provision of education and training to support the growth of the biotech, biomedical and agritech sectors; and
- Lack of inclusion within the sectors (e.g. women, those with disabilities, those from deprived areas).

Key Elements and Deliverables

The project will:

- Develop a new partnership between the regional college network – D&AC, UHI Perth and Fife College. The partnership will:
 - Form a Curriculum Development Steering Group which will engage with industry partners to gather intelligence to develop/inform course content that is aligned with industry need.
 - Work with industry partners, the James Hutton Institute and the University of Dundee to arrange work placements and expanded pathways to employment.
 - Deliver the newly developed courses through their respective science departments.
- Create a promotional campaign to showcase the career opportunities and pathways available within the Biotech, Biomedical and Agritech sectors. This campaign will be targeted at school-aged pupils both at the primary and secondary levels. It is expected that this will take the form of school visits and events hosted at key venues across the region such as the Dundee Science Centre. A further promotional campaign will be designed to reach those already in employment or underemployed seeking to reskill/upskill and transition from other sectors;

- Develop new, and enhance existing, education and training provision across a range of SCQF qualifications (level 5 to 8) that are targeted to meet industry demand within the Biotech, Biomedical and Agritech; and
- Invest in new laboratory and testing equipment that will be based at D&AC and invest in industry relationships to facilitate work placements to ensure that students have access to state-of-the-art equipment and can develop the necessary technical and ‘hands on’ skills such as tissue and cell culture skills, technical testing and digital skills such as computer programming (e.g. java, R, Python).

Economic Case

An economic assessment has identified the following benefits that will be generated throughout the lifetime of the project.

Table 1.2: Net Present Social Value

	Undiscounted (£m)	Net Present Value (£m)
Non-cash releasing benefits	£9.1	£6.3
Capital	£0.0	£0.0
Revenue (Opex plus SDS/SFC)	£2.4	£2.1
Opex	£1.8	£1.5
SDS/SFC	£0.6	£0.5
Total costs (capital plus revenue)	£2.4	£2.1
Less cash releasing benefits	£0.0	£0.0
Costs net cash savings (total costs minus cash releasing benefits)	£2.4	£2.1
Net Present Social Value	£6.7	£4.2

Quantitative Benefits and Targets

The targets have been developed to reflect the wider aspirations of the TCRD Employability and Skills Programme and support the Benefits Realisation Plan.

Table 1.3: Benefits

Benefit	Target
Jobs Created	2.5
Number of HNC/D students enrolled	110
Number of MA students enrolled	29
Number of female students enrolled	70
Number of ethnic minority students enrolled	8
Number of students with disability enrolled	27
Number of students from the 20% most deprived areas enrolled	40
Number of work placements	56
Number of school visits	84
Number of new courses developed	8
Increased Productivity in targeted sectors (Gross GVA generated by successful MA and HNC/D learners)	£653,000
Increase in wages for successful learners (Gross salaries)	£286,000

Procurement Route

All procurement, excluding recruitment, will comply with D&AC's published Procurement Strategy, Policy, and Procedure. The procurement service is managed via an Advanced Procurement for Universities and Colleges (APUC) shared service agreement and as a member of the Tayside Region Procurement Team with Abertay University. Recruitment will comply with D&AC's recruitment strategy, policy and procedure.

D&AC also follow the Scottish Government's Procurement Journey as best practice for public sector procurement.

The project will seek to procure the following services:

- project manager (1 FTE) – based within D&AC;
- project officer (1 FTE) – based within D&AC;
- administrative/finance assistant (0.5 FTE) – based within D&AC;
- procurement contracts with laboratory and training equipment suppliers; and
- if necessary, externally appointed curriculum development associates.

It is anticipated that all new staff will be in post as soon as possible after the project start in October 2023. The procurement contracts for lab and training equipment will be in place for the duration of project delivery, October 2023 - August 2030.

Potential for Risk Transfer

As the lead delivery partner and accountable body, most of the risks will be assigned to, and managed by, D&AC. There will be a Risk Register that will act as a “live document” during the development, implementation, and delivery of the project.

Proposed Charging Mechanisms

D&AC will be the main budget holder for the project and will procure access to basic lab equipment via purchasing smaller scale lab equipment and a leasing agreement for larger scale equipment with an identified supplier(s). Equipment needs will be reviewed on an annual basis.

The supplier will submit an invoice direct to the College (retrospectively) upon the college’s receipt of the equipment and the college will pay suppliers by BACS or RBS Bankline payment transfer within a 30-day credit agreement.

All equipment suppliers will be required to submit a standard reporting and claims form alongside the invoice for payment to be released. Both the project manager, project officer and administrative/finance assistant will be employed directly by D&AC and paid under existing mechanisms.

Funding

The total costs for the project are estimated at £1.975m over the period (2023/24 – 2029/30). The main budget lines and expenditure profile are presented at **Table 1.4**.

Table 1.4: Cost and Funding (£)

	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
Lab Equipment	104,080	130,764	130,000	30,161	29,971	24,383	100,000	549,359
Project Manager (1 FTE)	25,617	53,796	56,486	59,310	62,276	65,389	68,659	391,532
Project Officer (1 FTE)	23,017	48,337	50,754	53,291	55,956	58,754	61,691	351,799
Admin/Finance Assistant (0.5 FTE)	18,785	39,449	41,422	43,493	45,668	47,951	50,349	287,117
Curriculum Development	68,500	62,000	80,000	21,000	15,000	15,000	15,000	276,500

	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
School Visits/Events/Promotion	12,000	10,000	10,230	10,465	10,706	10,952	11,204	75,558
Management/Admin/Monitoring	5,000	6,000	6,138	6,279	6,424	6,571	6,722	43,135
Total Project costs	257,000	350,346	375,029	224,000	226,000	229,000	313,625	1,975,000

Project Reporting Structure

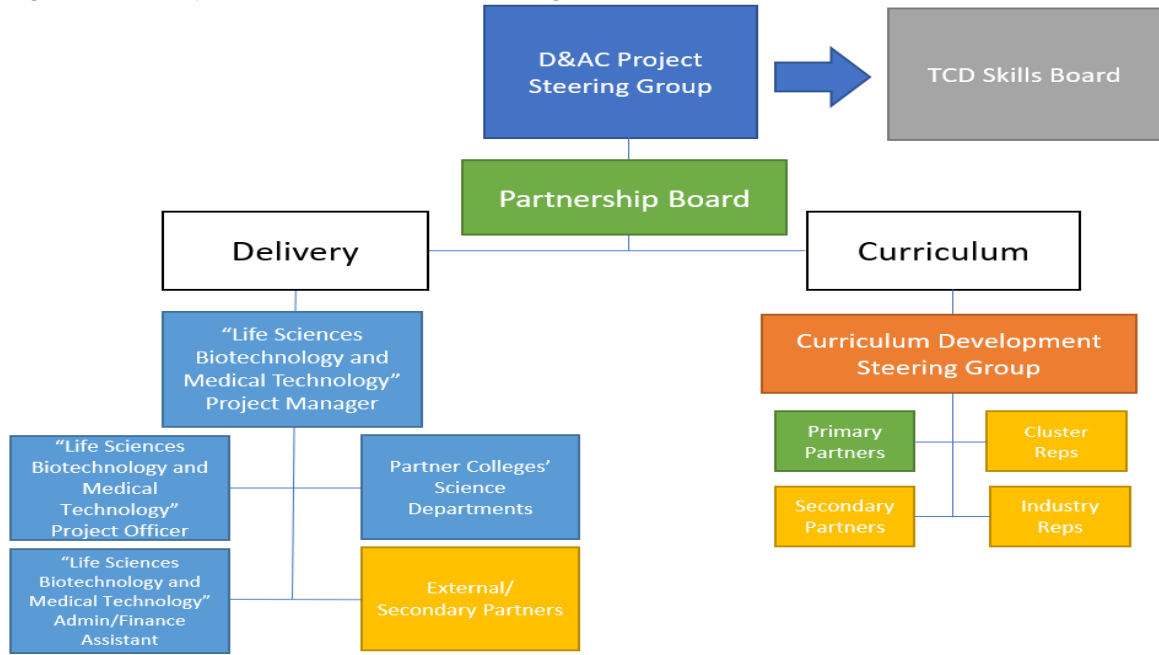
The D&AC Project Steering Group (PSG) provides oversight for all the TCD projects that D&AC are leading and involved with. The PSG is chaired by the Vice Principal for Curriculum and Attainment and supported by the College's Senior Project Manager.

From a strategic perspective, the project will be overseen by a Partnership Board. The board will be comprised of representatives from each primary partner college and will report to the PSG.

From the curriculum development perspective, the project will be overseen by a Curriculum Development Steering Group, led by the Project Lead, to provide strategic guidance, identify the key areas for curriculum development and ensure alignment between academics and industry. The Curriculum Development Steering Group will be made up of representatives from the partner colleges and universities as well as key industry leaders in the region. The Curriculum Development Steering Group will report to the Partnership Board.

Project delivery will be led by the Project Manager (who reports to the Partnership Board and is line managed by the Project Lead) and supported by the Project Officer, Administrative/Finance Assistant, the science departments of each partner college and external and secondary partners.

Figure 1.1: Project Governance and Management Structure



Benefits Realisation

The benefits of the project are set out at Appendix F of the BJC and will align to the overarching Programme Benefits Realisation Plan.