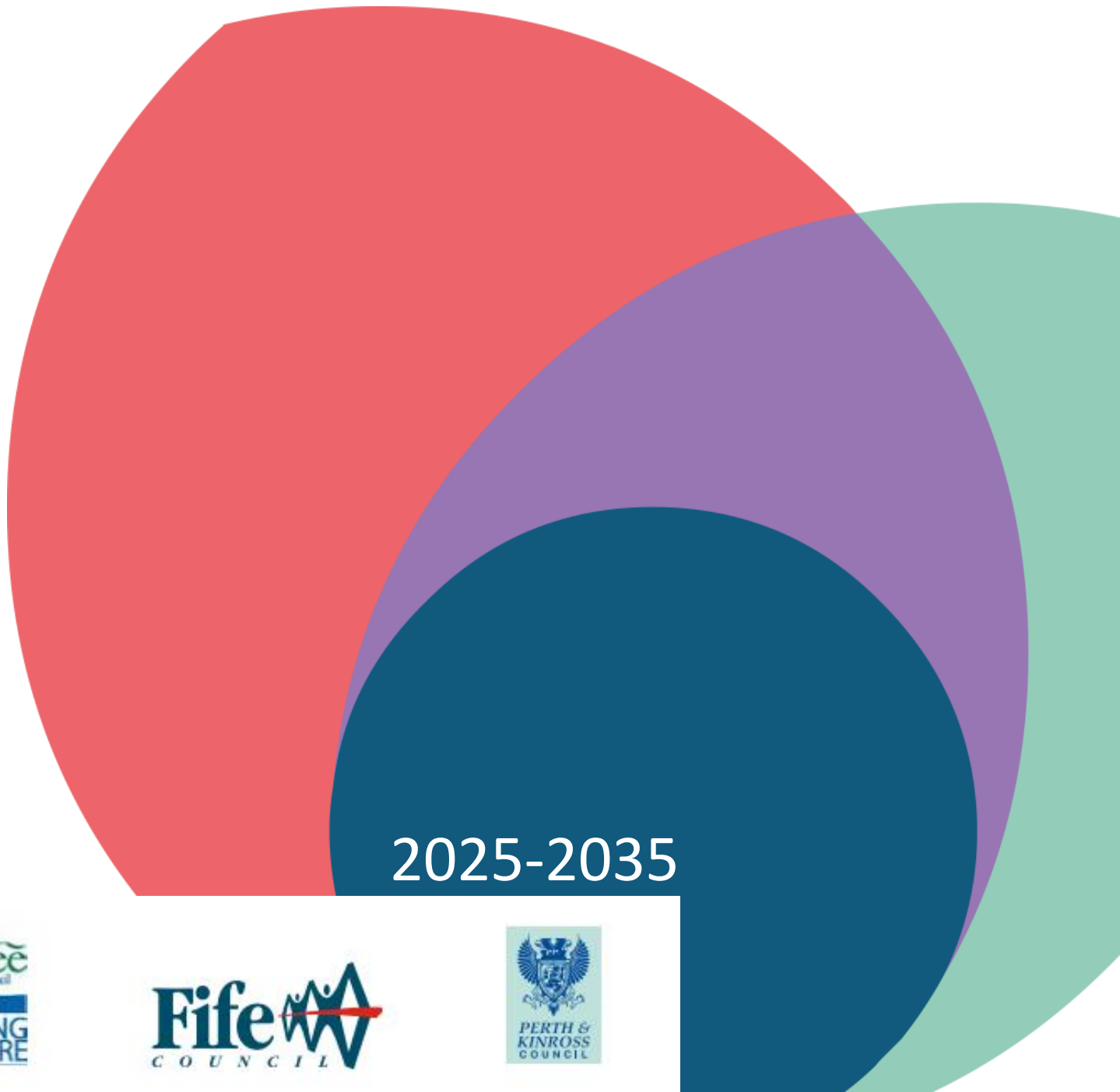


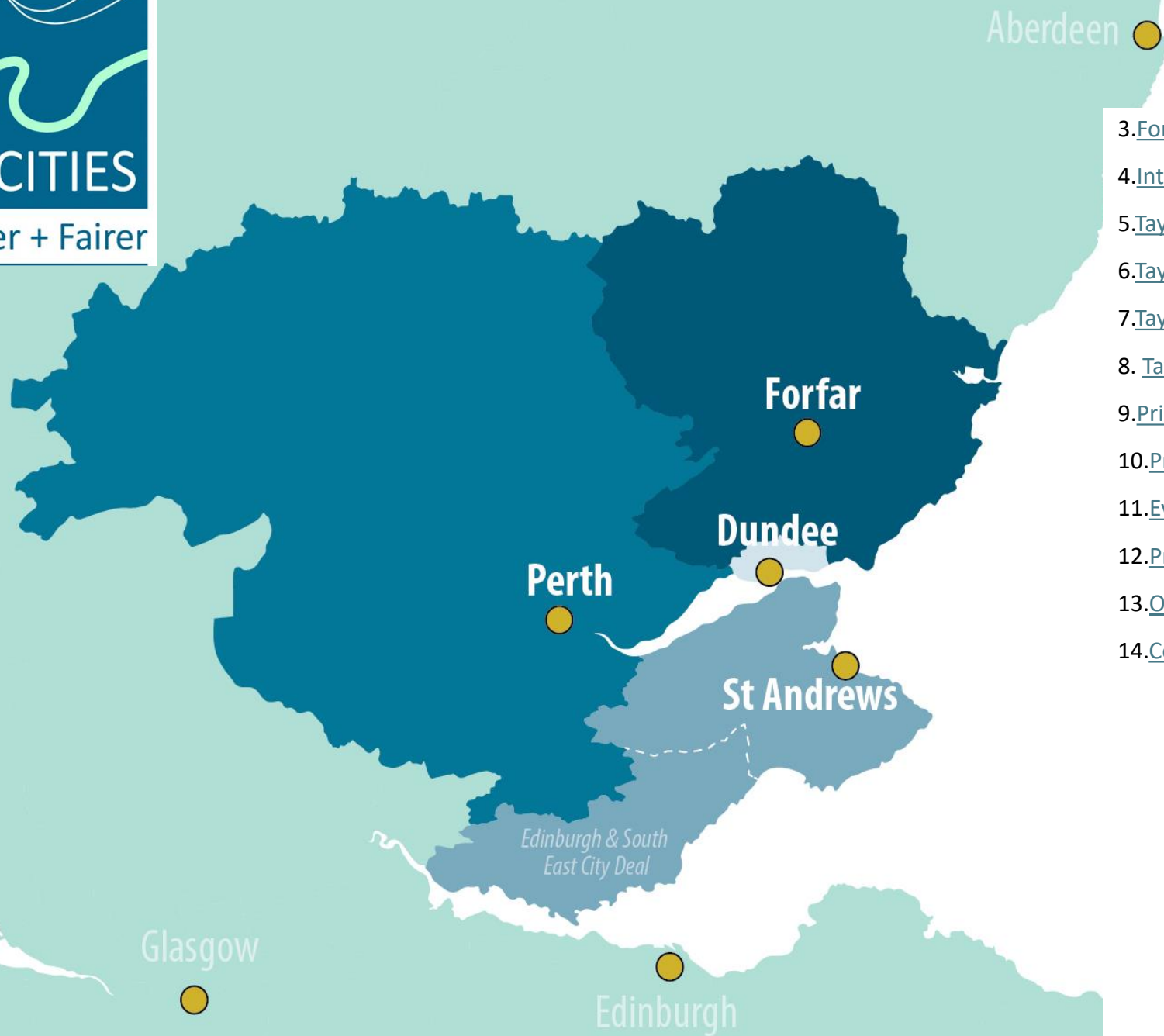
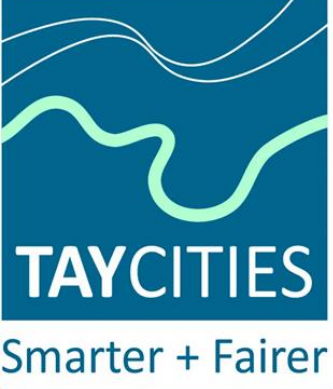


# TAY CITIES REGION: PROSPECTUS FOR REGIONAL GROWTH



2025-2035





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## Foreword - Chair of the Tay Cities Joint Committee

The Tay Cities Region partners have a long and positive track record of collaborative working, including through our Tay Cities Region Deal Partnership, to deliver inclusive, sustainable economic growth. We have a shared ambition to make the Region one of the most desirable areas in Europe in which to live, work, invest and visit.

Our Region has added to its economic strengths and assets through the Tay Cities Region Deal investment programme: innovation assets for our world-class universities, a thriving life sciences sector, advanced manufacturing, creative industries and many more. However, we know that there are new challenges and opportunities that require more innovation and investment. Our productivity remains low, and exclusion levels remain stubbornly high, for example, average weekly wages remain below the average for Scotland contributing to the cost-of-living crisis.

## Foreword - Chair of the Regional Enterprise Forum

Our mission is unchanged for the Tay Cities Region - we want to be one of the most productive knowledge-led economies, whilst ensuring that we become smarter, greener and fairer.

Our economic strategy is also unchanged. We continue to work together to:

- attract investment for innovation, and infrastructure
- develop, retain and attract talented people
- improve physical and digital connectivity to, from and around the region
- increase economic participation and reduce inequalities.

By placing smarter, inclusive and sustainable growth at the heart of our regional growth ambitions, we will achieve greater impact from the Tay Cities Region Deal, to make a lasting difference to our businesses and communities. Our long-term partnerships with regional businesses and the Scottish and UK governments are essential to make this a reality - not just through shared investments, but from our shared connections and pride in the Region.

## Executive Summary

The purpose and scope of this Prospectus is to achieve the greatest impact from the Tay Cities Region Deal across the whole of the Region. As many projects have now been delivered, it sets out a revised approach to delivery for the next phase. It restates the Vision from the Tay Cities Regional Economic Strategy 2019 – 2039 to show how Tay Cities Region can support the missions of the Scottish and UK Governments through a tighter focus on growth from collaborative innovation, in four Priority Opportunity Themes (Clean Growth for Smarter and Sustainable Places Life Sciences, Health and Agri Tech, Tourism and Cultural, Creative, Digital, Cyber and Games Economy), and two enablers (Skills and Talent, and Connectivity – Digital and Physical).

It summarises the economic strengths of each of the Local Authority areas and it provides an update on key economic indicators, many with little change since the first Regional Economic Strategy in 2017. It forecasts outcomes from the Tay Cities Region Deal investment in terms of jobs and leverage for each of the Priority Opportunity Themes and Enablers.

The Priority Opportunity Themes set out the regional ambitions for them and examples of existing and future investment opportunities. There are a small number of next steps for these that set out how the partners intend to turn this Prospectus into delivery.

These include a re-energised approach to engagement with businesses in the region and a review of the governance processes for the Regional Economic Partnership. Barriers have been identified that may put at risk an integrated approach to delivery of the Tay Cities Region Deal, other funding programmes and business as usual. Some of the Priority Opportunity Themes have existing roadmaps, others need to be developed. The principal ask of the businesses is that they engage in these processes to help steer them as they are developed and delivered.

The Prospectus concludes with a series of asks for the private sector, Scottish and UK Governments and national agencies. The principal one is that any future UK and Scottish Government funding comprises a multi-year, long-term, integrated, place-based allocation based on our socio-economic needs. For the funding to be based on our shared ambition to become a smarter, fairer, and greener region for our businesses and citizens.

# Introduction

The purpose and scope of this Prospectus is to achieve the greatest impact from the Tay Cities Region Deal across the whole of the Region. Many projects have already been delivered and further business cases and reviews of its programmes are taking place in 2024, so it is timely to consider the best approach for the next phase.

However, to achieve that impact, to revitalise our business engagement and achieve the wider ambitions for inclusive, sustainable, economic growth through innovation as set out in our Regional Economic Strategy 2019-39, we are reviewing our Regional Economic Partnership to develop a more integrated approach across the Tay Cities Region Deal, other investment programmes and business as usual delivery. We want to re-energise our partnership, particularly with businesses.

Our biggest challenge is the human resources available to us. We need to make best use of who is available, to develop new competencies as we cope with ageing workforces and recruitment constraints.

The Tay Cities Region Economic Strategy 2019-2039 sets out the mission for the Tay Cities Region and our Regional Economic Partnership. Since its last update in 2019, new events, strategies, policies, and thinking have emerged. These include recovery from the COVID-19 pandemic, the National Strategy for Economic Transformation, Fair Work legislation, Community Wealth Building ambitions, proposals for a new UK Industrial Strategy, and the need for a Just Transition to Net Zero. Our mission stays the same, but we agree that we need to focus on fewer and more transformation opportunities to deliver regional economic growth from 2025.

This Prospectus is a place-based approach that is cross-sectoral, recognising that the different sectors of the economy are inextricably interlinked. Cross-cutting themes including Connectivity and Talent and Skills underpin the growth opportunities. By integrating existing policies, strategies and initiatives will link to the strategy and prospectus to leverage further investment for the Region.

This document also sets out how the region will contribute to the emerging UK Industrial Strategy missions: to deliver clean power by 2030, harness data for the public good, caring for the future, and to build a more resilient economy.

# Vision

We strive to make the Tay Cities Region a cleaner and greener region driving our net zero and clean energy transition as part of a green industrial strategy.

We will become one of the most exciting, dynamic and desirable areas of Europe to live, work, invest and visit. The region will lead the transition for clean, green growth that fosters world-leading innovation, research and business entrepreneurship and growth.

The region's world class cluster of learning and research (Universities of St Andrews, Dundee, Abertay, Highlands & Islands, Dundee & Angus College, Scotland's Rural College, Fife College, and James Hutton Institute) combined with the global tourism assets of The Tay, its nature assets, iconic golf courses, and leading strengths in agriculture, food and drink, life sciences, advanced manufacturing, port assets and renewable energy production and support, will continue to position the region as the place of choice for investment and business location.

Our economy will be fully inclusive – putting people and wellbeing at the heart of everything we do - and one where disadvantage, poverty and inequality are tackled through provision of and access to economic opportunity. The region is renowned for its public, private, third sector and academic collaboration driving innovation and research, applying digital technologies and developing low carbon solutions for the Tay Cities region and beyond.

# Tay Cities - Our Region

## Angus

- Angus's sector strengths include manufacturing and engineering, renewable energy, tourism and golf, food and drink, and agriculture.
- Strategically placed to support the offshore renewable sector, Montrose Port Authority is home to operations and maintenance for Scotland's largest wind farm and is the first Scottish port to offer shore power to offshore energy vessels.
- Skills development opportunities in programming robotics, welding training using VR, and advanced manufacturing all take place at the Tay Cities Engineering Partnership at Dundee & Angus College, Arbroath.
- Home to international tourism events such as The Senior Open and Bon Fest, Angus continues to attract investment into tourism infrastructure to meet market demand and support sustainable economic growth.
- Significant investment is in the pipeline to support transition to low carbon transportation on land, sea and in the air through the Mercury programme.

## Dundee City

- Dundee's sector strengths include life sciences, technology, digital, creative and cultural industries, sectors that build upon the academic expertise of the Universities of Dundee and Abertay and Dundee & Angus and Al-Maktoum Colleges.
- With its £1bn Waterfront redevelopment, Michelin Scotland Innovation Park and City Centre Investment Plan, Dundee offers significant opportunities for further inward investment.
- Dundee has an international reputation for using culture and creativity as a catalyst for building resilient and robust communities.
- Dundee was Scotland's first Fair Trade City, the UK's first Living Wage City and the UK's first UNESCO City of Design.
- Dundee has established its status as a visitor destination with the opening of V&A Dundee in 2018, the redevelopment of the Royal Research Ship Discovery Point experience and the planned Eden Project, Dundee.

## North East Fife

- Fife's sector strengths include advanced manufacturing, financial and business services, food and drink, culture and creative/digital, sectors that build on the academic and vocational expertise of the University of St Andrews and Fife College.
- Fife has an outstanding coastline and strategic travel routes providing opportunities for inclusive and sustainable growth.
- Fife is a centre of excellence in low carbon and renewable energy innovation being showcased at the University of St Andrews' Eden Campus, Guardbridge.
- Several transformative investments are already underway including the opening of the Levenmouth Rail Link in June 2024.
- Outstanding natural and cultural assets provide many tourist destinations, including the Forth Bridges, St Andrews – The Home of Golf, a total of 48 Fife golf courses, the Fife Coastal Path, and the Pilgrim Way.

## Perth and Kinross

- Perth and Kinross's sector strengths include finance and business services (7.1% of the local economy and employing more than 8000 people).
- The energy sector, and SSE plc, levers significant natural assets; in clean energy production, transmission, storage and distribution.
- There is a thriving visitor economy with world-class resorts, outstanding landscapes and visitor attractions. The new Perth Museum welcomed over 150,000 visitors in its first 5 months.
- Perth is the UK's only UNESCO City of Craft.
- The agriculture, food and drink sectors are driving the green Agritech revolution, led by the James Hutton Institute's world-leading research.
- Perth and Kinross has a strong and resilient enterprising mindset demonstrated by high levels of self-employment and a high 5-year business survival rate.
- Investment in the Perth Innovation Eco Park and its Innovation Highway.

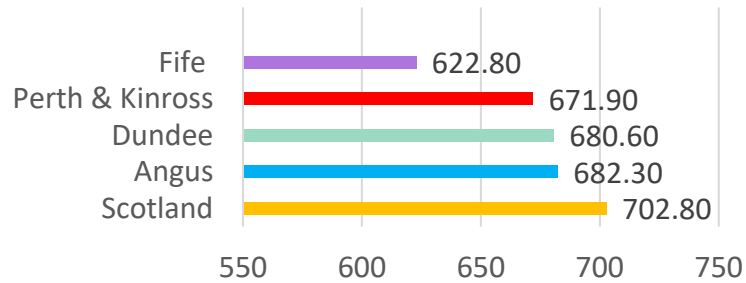
# Tay Cities Region - Economic Performance

Note: All data shown below are from Office of National Statistics datasets. Where figures are not available for the North-East Fife Area, data for the Fife Council local authority area have been used.

## Earnings

Average workplace weekly wages in all areas in the Tay Cities Region (TRC) are below the Scottish average. Wage levels are a long-term issue. Our ambition is to increase the number of better paid jobs across the region, to improve access to opportunity and for more equitable distribution of wealth and wellbeing.

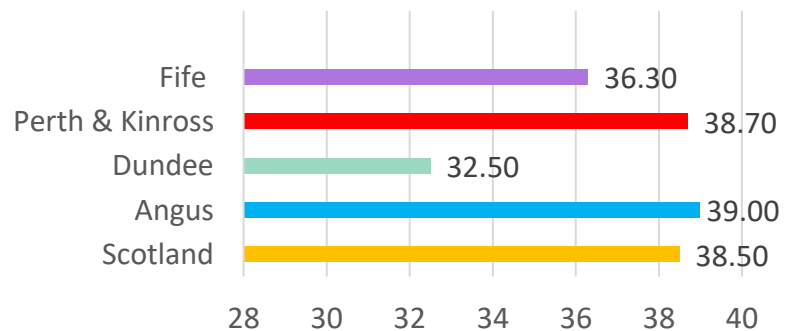
Average Weekly Workplace Wage 2023 (£)



## Productivity

The graph below shows the Gross Value Added (GVA) per hour worked across the four local authorities within the Tay Cities Region compared to the Scotland average. GVA per hour worked is lower than the national figure in Dundee and Fife, but higher in Angus and Perth and Kinross. Productivity underperformance is a long-term issue.

Gross Value Added Per Hour Worked 2022 (£)



## Business Base

Whilst business survival and self-employment rates in the Region are slightly higher than the rates for Scotland as a whole, these figures mask significant intra-regional variations. Angus and Perth and Kinross have higher survival and self-employment rates while Dundee and Fife have lower rates. We aim to enhance the support for business start-ups, survival and growth by supporting sectors in which the region has strengths, or which offer significant potential for growth through innovation.

41% 5-Year Business Survival Rate (2017-2022)

Compared to Scottish survival rate of 40.5%

7.9% Self-Employment Rate (2023)

Compared to Scottish rate of 7.8%

## Labour Market

The Tay Cities Region's unemployment rate is a long-term issue, higher than the average for Scotland, as is the proportion of people who are economically inactive but want a job. Our long-term objectives are to reduce economic inactivity (people who are neither in work nor seeking work) to below the Scottish average, while increasing productivity to create higher-paid jobs.

4.2% Unemployment Rate (2023/24)

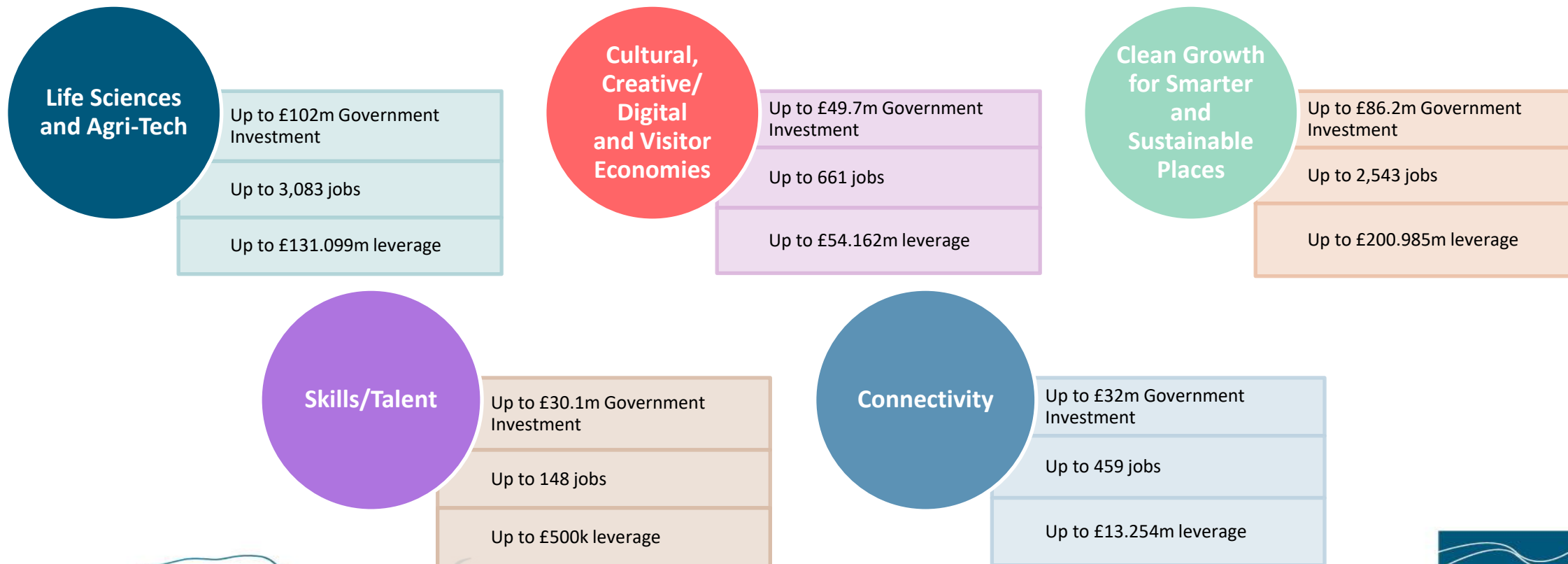
Compared to Scottish unemployment rate of 3.7%

26.6% of economically inactive people want a job (2023/24)

Compared to 16.5% in Scotland as a whole

# Tay Cities Region Deal Investment & Benefits

The Tay Cities Region Deal will provide the key outcomes shown below (existing deal projects have been linked to the key themes set out in this document). Further information on Tay Cities Region Deal projects and the benefits they will bring to the region is available in the latest [Annual Performance Report](#). The TCRD Partnership continues to demonstrate deliverability at a regional level and as such has attracted other regional economic growth initiatives over the years. Examples of these are noted below. *Please note some themes have been merged for this data collection exercise, the priority theme opportunities and enablers set out in slide 8 will be reassessed as more projects progress.*



# Tay Cities - Priority Opportunity Themes / Enablers 2025-2035

## Clean Growth for Smarter and Sustainable Places

Our vision is to be a powerhouse for innovation with the increased take up of smart technologies. We will become Scotland's most collaborative digital tech region, unlocking business growth and investment through building a connected and inclusive ecosystem. The Clean Growth Initiative could act as a key delivery mechanism for a cleaner, smarter, more sustainable place. Investment opportunities include Michelin Scotland Innovation Park, Eden Campus, Perth Eco Park and Angus' Mercury Programme.

## Life Sciences, Health and Agri-tech

With a strong agricultural sector in the region, award-winning food and drink producers and a cluster of research institutions that provide an unparalleled level of sectoral expertise, we believe that the region has the potential to make a significant contribution to the Scottish economy from innovation from field to fork collaboration, for food resilience and to address the health consequence of food poverty. Investment opportunities include James Hutton Institution, Medtech and a regional innovation plan.

## Tourism and Culture

Our region has a significant opportunity to make more of the region's coasts and wild spaces, and in particular River Tay which links the region. More can be made of the region's ancient heritage and modern culture for visitors and residents alike. We will work together to ensure tourism and culture sectors deliver positive contributions to local communities, the economy and the environment. Investment opportunities include The Tay Adventures programme; Eden Project Dundee

## Creative, Digital, Cyber & Games Economy

Our region has a significant opportunity to make more of our strong subsectors: creative, cyber games and software development. We will deliver the tech roadmap and use this as the basis for ongoing investment in innovation and digital skills. Dundee continues to build a reputation as a hub of digital excellence, particularly in terms of software, digital gaming, mobile app development and technology services. Our ambition is to extend this to include the whole region. Investment opportunities include The ongoing development of the Cyber Quarter. Justtech and Perth Creative exchange.

## Enablers

**Skills and Talent**

**Private Sector Engagement – People and Organisations  
(More information on Page 10)**

**Connectivity – Digital and Physical**



# Priority Opportunities Themes: Next steps

## Clean Growth for Smarter and Sustainable Places

Priority Theme

Support a shift to net zero and growth in the circular economy. Utilise the Clean Growth Initiative. Consult with private sector to develop an innovation roadmap to outline and deliver priorities and actions.

## Life Sciences, Health and Agri-tech

Priority Theme

Develop an innovation action plan for this priority opportunity theme.

## Tourism and Culture

Priority Theme

Deliver the culture and tourism commitments in the Tay Cities Region Deal and develop additional tourism and culture opportunities via new projects and initiatives which leverage further investment and continue to raise the region's profile and reputation as a quality destination.

## Creative, Digital, Cyber & Games Economy

Priority Theme

Implement the regional Tech Sector roadmap, as a foundation for further growth through innovation and its adoption.

## Connectivity – Digital and Physical

Enabler

Prioritise digital connectivity and use of smart place technologies across the region to boost productivity, attract tech-driven businesses, and improve residents' quality of life. Create a sustainable and reliable inter and intra-regional transport network for business and freight and improve accessibility to jobs, education and other key destinations by public transport.

## Skills and Talent

Enabler

Continue to deliver Phase 1 of Regional Skills and Employability Development Programme. Develop Phase 2 and plan resources for delivery.  
Develop and deliver the Tay Cities Regional Skills Action Plan and develop a common intelligence framework.

# Private Sector and Regional Engagement

An immediate priority is that we will reenergise our strategic collaboration with the private sector in the region. By leveraging private sector expertise, innovation and resources, we can create market- led solutions and services, for more sustainable outcomes.

Our ambition is for the private sector to work with us to have input when planning and delivering the regional activities. We will utilise the Regional Enterprise Forum and collaborate with academia and existing National Agencies (Scottish Enterprise, VisitScotland, Skills Development Scotland, Scottish Development International, Creative Scotland and Historic Environment Scotland) to ensure we have more strategic engagement with the private sector. Local Authorities will utilise their Economic Development departments for more localised and targeted business engagement.

Areas of focus will include:

- To provide clear rationale as to why businesses should engage with the Regional Economic Partnership e.g. Engage private sector to engage in the Priority Opportunity Themes as we develop and deliver their roadmaps.
- We share the Governments' ambition to secure commercial investment. We will ensure that our businesses want to invest in the local and regional economies, and we are committed to make it easier for them to do so.
- Building on and strengthen our existing networks and connections rather than start again from scratch (Life Sciences- Science Futures, Tay Cities Clean Growth, Tourism and Culture - Tay Country, DigiTay).



## Scotland's Tay Country



TAY CITIES  
**CLEAN GROWTH**



ALBA | CHRUTHACHAIL



Smarter + Fairer



# Evolving our Regional Economic Partnership

The Tay Cities Region Economic Partnership is a mature governance structure established to develop and deliver the Tay Cities Region Deal. Many projects have now been delivered, and we now want to achieve the greatest impact from these across the Cities Region. However, to achieve that impact, to revitalise our business engagement and achieve the wider ambitions for inclusive, sustainable, economic growth through innovation set out in our Regional Economic Strategy 2019-39, we are agreed on the need to review our governance processes to deliver the growth opportunities set out in this Prospectus. With a new UK Government and to prepare for the next Scottish Government, we need to review these now if we are to deliver transformational change for the region. Consultation with the partners has helped us determine that the challenges that need addressed are:

- Too little private sector involvement in setting and delivering the regional economic strategy. A lack of alignment with their investment and innovation priorities.
- No transparent strategic and operational leadership of the Regional Economic Strategy's Programmes, the management of the interdependencies between Deal-funded activities, those funded through other programmes and business as usual service delivery. The Chief Executives, the Heads of Economic Development and the regional approaches being adopted by national agencies are "advisory" rather than part of the management governance.
- A misalignment of responsibility and accountability with available resources, creating resource pressures and reluctance to step up and drive the delivery of roadmaps, their actions and regional programmes.

We will become a more strategic regional Economic Partnership and aim to create an adaptable funding environment in which we can respond faster to external changes. We are now halfway through the delivery of Tay Cities Region Deal Programme, with over 50% of the deal fund claimed. We recognise we need to change to have a more strategic focus to drive the economic development of the region.

[Click here for full details of the existing Governance Arrangements.](#) The Regional Economic Partnership is making a firm commitment to review the governance and make best use of available resources. A new group will be introduced for the CEO's / Management group to provide strategic oversight. The Management Group would be repurposed to provide operational oversight of the Priority Opportunity Themes ensuring they are robust and effective. The thematic boards would also align with the Priority Opportunity Themes and enablers. The Business Engagement proposals set out in Page 10 would also be incorporated into this strategic, operational and programme/project delivery structure. The private sector and regional engagement proposal will be a key element of successfully delivering the Priority Opportunity Themes.

# Our Asks

We want to be a region that is known for delivering the fullest impact from collaborative innovation, piloting and demonstrating innovation in action, adopting a living lab approach to do so. To effectively achieve this and deliver the opportunities in this Prospectus, a local, regional and national approach is required to engage businesses, our communities, our public sector and academia. Many of the controls and interventions through which local and regional challenges can be addressed sit at Scottish or UK Government level. Many businesses located in the region rely on approval of their investment plans by external organisations. Through the right form of partnership (new collaborative approaches and funding models), the Tay Cities Region has the potential to harness the socio-economic opportunity from smart technologies, the drive to net zero, to build a more resilient and thriving regional economy that can help support a more prosperous and equal society in Scotland and the UK.

We are working together on skills planning for our Region. However, we share the ambition to have a more aligned and responsive Regional Skills Programme which will be more use common frameworks for delivery. We want to build on and strengthen our Regional Economic Partnership, to continue to work with the Scottish and UK Governments, and national agencies to provide mutual value.

## Our Asks:

- Based on our successful track record of delivering the Tay Cities Region Deal, our ask to UK and Scottish Government is that any future UK and Scottish Government funding comprises a multi-year, long-term, integrated, place-based allocation based on our socio-economic needs. For the funding to be based on our shared ambition to become a smarter, fairer, and greener region for our businesses and citizens.
- We ask for support to develop a stronger regional delivery capability, including a Regional Intelligence Hub to evidence regional economic performance, place and sectoral opportunities. A Regional Intelligence Hub would allow us to develop a Regional Innovation Action Plan with national agencies, private sector, academia, UK, and Scottish Governments.
- We ask for support from the Governments as we transition our governance from one centred on city region deal activity to a regional economic partnership. We need further capacity funding to implement this new governance model. New powers and delivery tools may be needed to achieve the ambitions within the Priority Opportunity Themes and enablers set out in this prospectus.
- We ask UK and Scottish Governments to consult with our Regional Economic Partnership Leads on proposals to refocus national strategies and policies to support regional aspirations, e.g. National Strategy for Economic Transformation and the emerging Invest 2035: the UK's modern industrial strategy.
- We ask the private sector to work collaboratively with us to ensure we can create market-led solutions and services, for more sustainable outcomes. To help us make this process an easy process for the private sector.

# Contacts and Links to Further Information

[Tay Cities Regional Economic Strategy 2019-2039](#)

[Tay Cities Region Deal](#)

[Tay Cities Region Tourism Strategy](#)

[Tay Cities Clean Growth](#)

[DigiTay- Tay Cities Digital Skills Project](#)

[Tay Cities – Investment Proposition](#)

[Tactran](#)

[Sestran](#)

