



City Chambers
DUNDEE
DD1 3BY

30th September, 2025

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, 3rd October, 2025 at 10:00am, to be held remotely.

Please submit any apologies to Veronica Thomson, Committee Services Officer on telephone (01382) 434205 or by e-mail at veronica.thomson@dundeecity.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@dundeecity.gov.uk by **12 noon on 1st October, 2025.**

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

- 1 **WELCOME AND APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**
- 3 **MINUTE OF MEETING OF 20TH JUNE, 2025 - Page 1**

(Copy enclosed).

PART 1: REGIONAL COLLABORATION

No items.

PART 2: THE DEAL

4 RESHAPING THE TAY CITIES REGION DEAL

(Verbal update presented by Paul Thomson, S95 Officer and Robin Presswood, Management Group Chair)

5 DIGITAL SKILLS PHASE 2 FBC FOR APPROVAL - Page 6

(Report No TCRJC9-2025, introduced by Carol Connolly, Fife Council and presentation by Aileen O'Hagan, Fife Council).

6 HOSPITALITY SKILLS BJC FOR APPROVAL - Page 15

(Report No TCRJC10-2025, introduced by Carol Connolly, Fife Council and presentation by Iain Hawker, Fife College).

7. PROGRAMME OF MEETINGS 2025

Friday, 12th December, 2025, to be held remotely

8 AOCB

9 DATE OF NEXT MEETING

Friday, 12th December 2025, to be held remotely.

The Joint Committee may resolve 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 involves the likely disclosure of exempt information as defined in paragraphs 3, 6 and 9 of Part I of Schedule 7A of the Act.

10 DUNDEE AIRPORT (REVENUE) BJC FOR APPROVAL – CONFIDENTIAL

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Friday, 20th June, 2025.

Present: -

Angus Council

Councillor George MEECHAN
Councillor Bill DUFF
Councillor Jill SCOTT

Dundee City Council

Councillor Steven ROME

Fife Council

Councillor David ROSS
Councillor Alycia HAYES
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
Matthew LOCKLEY, Scottish Enterprise
Councillor Andrew PARROTT, Tactran

Also Present

Kathryn LINDSAY, Angus Council
Ken GOURLAY, Fife Council
Thomas GLEN, Perth and Kinross Council
Paul THOMSON, Dundee City Council
Mark DAVIDSON, Angus Council
Robin PRESSWOOD, Dundee City Council
Serge MERONE, Perth and Kinross Council
Mark SPEED, Tactran
Roger MENNIE, Dundee City Council
Mo SAUNDERS, PMO Programme Manager
Lauren HOLLAS, PMO Project Manager
Clare Slater, PMO Project Manager
Steve BELL, Tay Cities Deal Comms
Amparo ECHENIQUE, Perth and Kinross Council
Julie GRACE, Dundee & Angus College

Councillor George Meechan, Vice Chair, in the Chair.

I APOLOGIES

Apologies had been intimated from Councillor Mark Flynn, Councillor Georgia Cruickshank, Hayley Mearns and David McBeth who are voting members, and Greg Colgan, and Carol Connolly.

II APPOINTMENT OF VICE CHAIR

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 noted that following a meeting of Angus Council on 8th May 2025, Councillor George Meechan of Angus Council was appointed as Leader of the Administration.

The Joint Committee agreed to appoint Councillor Meechan as Vice-Chair, whereupon he took the Chair.

III MEMBERSHIP

The Joint Committee noted that following a meeting of Angus Council held on 8 May, 2025, the other Angus Council representatives on the Joint Committee would now be Councillor Bill Duff and Councillor Jill Scott.

IV DECLARATIONS OF INTEREST

There were no declarations of interest.

V MINUTE OF MEETING OF 21ST MARCH, 2025

The minute of meeting of 21st March, 2025 was submitted and approved.

PART 1: REGIONAL COLLABORATION

The Joint Committee noted that there were no items on this part of the agenda.

PART 2: TAY CITIES REGION DEAL

VI DEAL PROGRAMME UPDATE

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

It was noted that for 2024/25 Capital a total of £12.05m capital was drawn down. A total of 98.3% of the 24/25 allocation, which had resulted in a year end capital underspend of £210k. For 2024/25 Revenue a total of £2.397m revenue had been drawn down which was 92% of the 24/25 allocation. There was a revenue underspend of £189k. The underspend for both capital and revenue would need to be requested as an 'ask' is currently held in Year 10 at the Project's risk.

The Economy and Fair Work Committee Scotland's City and Regional Growth Deals report was published on 9th May 2025. The Committee undertook an inquiry to understand whether growth deals were achieving their aims, including:

- the implementation and effectiveness of deals;
- how they had contributed to addressing local issues; and,
- how they had supported development and inclusive growth.

Through written views and evidence from a number of witnesses, the Committee examined how well Deals had operated and identified lessons learned to inform what would come next. A written response was submitted from the TCRD, but had not been invited to give evidence.

It was noted that the Scottish Government had issued a draft 25/26 Grant Offer Letter. The purpose of this was to update the Fair Work First (FWF) clauses, which now expanded the scope to include workers from third parties, such as sub-contractors or agency staff, involved in grant-funded activities. This would ensure that the real Living Wage was more comprehensively applied across the UK. Informal acceptance of the Partnerships requested allocation had been received for 25/26 of £4.694m

capital and £2.118m revenue. *Post-meeting note: the Grant Offer Letter has been awarded and signed, with an updated capital allocation of £4.144m and a revenue allocation of £2.161m.*

Thereafter it was reported that there were a number of business cases that still required Government and Joint Committee approval to enable them to fully drawdown. the requested capital and revenue Year 6 allocation. This included:-

- £2.05m capital (44%)
- £825k revenue (38%)
- An additional £800k capital associated with the confirming of match funding for Discovery Point.

Partners have been asked to ensure that they have resources and capacity, in addition to other asks of the Partnership e.g. reshaping work, to enable this.

The Joint Committee were then advised that following an update to Management Group in April, it was agreed that a quarterly risk register report would be provided to Management Group to highlight any new or changes to risks. The next update would be presented to Management Group in August 2025. Any key recommendations from Management Group would then be highlighted to the Joint Committee as required.

It was further noted that there was a commitment in the Deal Document to inform the Joint Committee when the Management Group and Governments have approved a Strategic Outline Case (SOC) and Outline Business Case (OBC). There have been no Project SOC's or OBC's approved by Management Group since the last Joint Committee meeting.

Thereafter, the Chair thanked Mo for her presentation on behalf of the Joint.

VII RESHAPING THE TAY CITIES REGION DEAL

There was submitted Report No TCRJC04-2025 by the S95 Officer, Paul Thomson, and Robin Presswood, providing an update to the Joint Committee with the amendments made to the reshaping timetable, the changes to the review panel and progress with developing criteria for Strand 2 of the reshaping work.

The Joint Committee:-

- (i) noted the updated reshaping timetable at Appendix 1 to the report, following Joint Committee feedback in March;
- (ii) noted the representation on the review panel; and
- (iii) agreed the approach taken by the Partnership to develop a robust set of criteria to support the review panel when considering new alternative projects at Strand 2.

VIII DISCOVERY POINT TRANSFORMED LEVERAGE & MATCHED FUNDING PROPOSED CHANGE IN CONDITION

There was submitted Report No TCRJC 05-2025 by Robin Presswood, Chair of the Management Group seeking approval for the updated profile for the Discovery Point Transformed Project.

The Joint Committee:-

- (i) agreed that Discovery Point Transformed can draw down £1.6m of the next tranche of Funding;
- (ii) agreed a change to the agreed condition in relation to securing overall project costs, to allow them to drawdown the remaining £1.6m funding whilst they continued to secure additional funding of £2.2m.; and

- (iii) agreed that the Project Owner provide an annual update and assurance on the progress towards securing total project costs.

IX REGIONAL SKILLS & EMPLOYABILITY DEVELOPMENT PROGRAMME OBC REFRESH

There was submitted Report No TCRJC6-2025 introduced by Serge Merone, Perth & Kinross Council seeking approval of the Outline Business Case (OBC) Refresh for the TCD024(a) Skills and Employability Development Programme.

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

The Joint Committee:-

- (i) considered the report and the OBC Refresh for the TCD024(a) Skills and Employability Development Programme (business case available on request), including revised targets as per section 6.3 of the report;
- (ii) noted that the Management Group had recommended the OBC Refresh for the TCD024(a) Skills and Employability Development Programme for approval; and;
- (iii) approved the OBC Refresh, subject to Government approval.

The Joint Committee further noted that the UK and Scottish Governments had now endorsed the Regional Skills and Employability Development Programme. However, this approval had the following conditions:

Whilst the Scottish Government were content for partners to develop the current set of projects, some of these – and in particular Pathways – had been in development for a significant time so would expect partners to pay close attention to these projects. The Scottish Government had not set a specific time for this, and this would need to be in addition to the reshaping work. They also considered it would be advantageous if the partners confirmed a suitable time to carry out a review of the projects, potentially around the end of the year

There were some elements of programme management which the Scottish Government would expect to be in place (including M&E, change management, risk management) and had suggested improvements. Again, there was no specific time, but it would be good to get an indication from partners for when that would be in place.

X TCD024g SUSTAINABLE CONSTRUCTION SKILLS BUSINESS JUSTIFICATION CASE

There was submitted Report No TCRJC7-2025 introduced by Mark Davidson, Angus Council seeking approval of the Business Justification Case (BJC) for the TCD024(g) Sustainable Construction Skills project.

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

The Joint Committee:-

- (i) considered the report the BJC for TCD024(g) Sustainable Construction Skills;
- (ii) noted that the Management Group had recommended the BJC for approval at their meeting on 29th May 2025; and;
- (iii) approved the BJC for the Sustainable Construction Skills project, subject to approval by the Thematic Board and Governments, and approval of the Regional Skills and Employability Development Programme OBC refresh.

Post meeting note: Governments happy to approve with the caveats that the comments are addressed and updated in the BJC.

XI PROGRAMME OF MEETINGS 2025

The Joint Committee noted the undernoted programme of meetings for 2025:-

Friday, 3rd October, 2025, to be held remotely

Friday, 12th December, 2025, to be held remotely

XII AOCB

(i) Dundee University

A query was raised regarding the sustainability of any projects being led by Dundee University, in light of their current financial position. The PMO Officer advised that there were two projects led by Dundee University, Life Sciences: Biotechnology and Medical Technology, which was now fully drawn down. The other project however was not and it may be that an alternative proposal would need to be considered.

(ii) Future Meetings

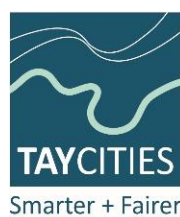
It was noted that the meeting today had been held at the same time as a COSLA thematic meeting therefore it was agreed that full consideration of the COSLA timetable would be given going forward.

X DATE OF NEXT MEETING

Friday, 3rd October, 2025.

Councillor George MEECHAN, Chair.

ITEM No ...5.....



REPORT TO: TAY CITIES REGION DEAL JOINT COMMITTEE

REPORT ON: DIGITAL SKILLS PROJECT (TCD024) FULL BUSINESS CASE

REPORT BY: CAROL CONNELLY, PROJECT SPONSOR

REPORT NO: TCRJC9-2025

1. PURPOSE OF REPORT

- 1.1. This report seeks approval of the Full Business Case (FBC) for the Digital Skills Project, TCD024.

2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to:
 - i. Consider this report and the FBC for TCD024 Digital Skills Project
 - ii. Note that Management Group has approved the FBC for TCD024 Digital Skills Project
 - iii. Note that the FBC for TCD024 Digital Skills is subject to Government and Thematic Board approval.
 - iv. Approve the FBC for TCD024 Digital Skills Project

3. BACKGROUND

- 3.1. The Regional Skills and Employability Development Programme was awarded up to £20m as part of the Tay Cities Region Deal in the Deal Signing in December 2020. This project has been selected by the Regional Skills and Employability Development Programme and awarded up to £4.324m. This project will aim to plug the Digital Skills gap present across the region by understanding and satisfying employers' needs allowing them to fill vacancies. The OBC for Phase 2 of the Digital Skills Project was approved in July 2025 and the FBC outlines how the project is to continue the Project into its second phase of delivery. The FBC is presented for approval which if granted will enable the project to commence the project and 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 in Appendix 1.

4. DESCRIPTION OF PROJECT IN THE DEAL DOCUMENT

- 4.1. The Digital Skills Project is structured in two phases: Phase 1 (2022-2025) and Phase 2 (up to 2030). This Full Business Case (FBC) focuses on Phase 2, representing a £2.961 million investment aimed at addressing persistent digital skills challenges in the Tay Cities regional labour market and nationally.

The project will target delivery of intermediate, advanced, and professional digital skills (excluding basic digital skills) to:

- plug the digital skills gap,
- understand /satisfy business needs and
- create highly skilled digital talent.

Building on Phase 1's progress, the project will deliver a coordinated programme of targeted interventions to drive systemic change in digital skills delivery across the Tay Cities Region. It will also continue to support one of the region's key and growth sectors; the tourism and hospitality sector to help that sector embrace the benefits of digital technology. A focus on maintaining momentum is critical for achieving medium- and long-term impacts.

5. FINANCIAL IMPLICATIONS

- 5.1. This project is currently profiled to spend a total of £2.961m in revenue from the Tay Cities Deal funding. The funding is anticipated to be drawn down as follows:

Financial Year	Total Drawdown (£)
25/26	331,815
26/27	712,550
27/28	704,515
28/29	723,306
29/30	488,813
Total	2,960,999

- 5.2. Please note: a reprofiling exercise took place as part of the Phase OBC development and the project presented a Total Project Cost of £4.316m this is made up of £1.355m for Phase 1 and £2,961m for Phase 2. This is a variance of £8k from the £4.324m awarded at the deal signing. This forecast is based upon the reprofiling of Phase 1 underspend.

- 5.3. The project has no leverage in funding.

6. IMPLEMENTATION PLAN

- 6.1. Milestones

Deliverable	Due Date	Status
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Work experience scoping	April 2026	Not started
Tourism project	April 2026	Not started
Website development	Jan 2026	Not started
Curriculum Development starts	April 2026	Not started
Rapid Tech project starts	March 2027	Not started
Curriculum Development delivery to tech sector starts	April 2027	Not started
Start mainstreaming activities	April 2028	Not started
Work experience programme closes	April 2029	Not started
Rapid Tech Project Closes	April 2030	Not started
Phase 2 Closes	April 2030	Not started

6.2. Outcomes and Targets

Outcome	Target Phase 1	Target Phase 2	Total
Quality and sustainable new job opportunities		11	11
Individual clients supported	180	895	1075
Organisations supported	20	125	145
Tech students from college and university will be provided with work experience		100	100
% of upskilled individuals achieving a qualification or positive destination		75%	75%
Development of the existing DigiTay website to become an online platform for knowledge sharing and discussion for businesses interested in developing the digital skills of their workforce.	Initiated	Completed	Fully established

6.3. Key Project Risks and Mitigations

Risk	Mitigation
Servicing employer demand in order to deliver skills solutions which meet the needs of employers is difficult as employers are not able to articulate their skills needs.	Engage with regional employers to understand their skills needs in advance of start of Phase 2 project. Analysis of regional job vacancies. Joint working with Local Authorities, national agencies, tech trade bodies, Tay Cities Ecosystem Group, HE/FE, and training providers to identify employers' skills needs using a varied range of approaches. Use best practice approaches from other City Region Deal colleagues or national programmes.
Lack of market demand from both businesses and individuals to achieve participation and investment levels within period specified.	Joint working with the region's tech businesses, Local Authorities, Business Gateways, ScotlandIS, National Agencies, HE/FE organisations and private sector training and skills providers to create effective marketing and engagement processes, with simple referral processes.
Delays in procurement of interventions mean delivery is slow during Phase 2 and	Use of existing frameworks and delivery processes to start procurement quickly. Procurement strategy to be developed in advance of Phase 2 activities.

the project fails to invest as profiled.	
There is a lack of capability from regional supply side partners to deliver the skills solutions required by the region's tech sector.	Identification of alternative specialist skills suppliers in advance of Phase 2. Joint working with Local Authorities, Business Gateways, National Agencies, HE/FE organisations, private sector training and skills providers to identify alternative provision.
Mainstreaming of activities cannot be achieved due to lack of capacity and resources of public sector partners.	Work with the Operational Board and FE / HE representatives to develop plans for mainstreaming activities from the start of the Phase 2 project. Discuss mainstreaming approaches with other City Region Deal colleagues to learn from current practice.
Lack of uptake in project activities from women; those with a disability; those from the most deprived areas and those in rural areas.	Joint working with the region's Local Authorities, National Agencies, third sector providers, HE/FE organisations and private sector training and skills providers to create effective marketing and engagement processes, with simple referral processes. Provide delivery partners with targets to reach these groups within their contracts.
Lack of participation from one or more of the Tay Cities areas which means that not all of the regions benefit from the investment equally.	Monthly monitoring of projects and beneficiaries to identify participation levels. Ensure delivery partners have targets to work with beneficiaries from all of the Tay Cities areas. Joint working with Local Authorities, third sector organisations, HE / FE providers, training providers and national agencies to create effective marketing and engagement processes, with simple referral processes.

7. DECISION PATHWAY

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

Decision pathway milestones and planned timeline			
Stage	Milestone	Planned date	Date achieved
OBC	Governments' approval		Jul 2025
	Thematic Board recommendation		Jun 2025
	Management Group approval		Feb 2025
	Joint Committee informed		Not due
FBC	Submission of FBC (to PMO who forward to governments)	Jul 2025	
	Governments' approval	Jul 2025	
	Thematic Board recommendation	Aug 2025	
	Management Group recommendation	Aug 2025	September 2025
	Joint Committee approval	Oct 2025	

8. CONDITIONS

Approval of the FBC is subject to Government and Thematic board approval.

9. POLICY IMPLICATIONS

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty and Environment. The project will have a positive impact on equality, diversity, fairness, and poverty.

10. CONSULTATIONS

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

Local Authority Project Management Officer: Aileen O'Hagan
Responsible Finance Officer: Elaine Muir
Joint Committee Sponsor: Carol Connolly

Report author: Aileen O'Hagan
Title: Project Manager
Email address: aileen.ohagan@fife.gov.uk

Date: 24/07/2025

APPENDIX 1

Project Information	
Project number	TCD024 (b)
Project name	Digital Skills Phase 2
Project owner	Morag Millar
Project Finance Director	Elaine Muir
Management Group Sponsor	Carol Connolly
Award amount under TCD	£4.324m
Jobs: Target number of jobs to be created	2 staffing for project 9 as a result of project activities
Leverage to be achieved	Project is fully funded by TCRD monies.

APPENDIX 2

The Digital Skills Project is being delivered as part of the Tay Cities Region Deal's Regional Skills and Employability Programme (RSED). This Full Business Case (FBC) follows the HM Treasury Green Book guidance for high-value procurements (over £2 million) and seeks approval for a £2.961 million investment to deliver Phase 2 of the project. It should be considered in conjunction with the overarching RSED Programme Business Case.

This FBC is required for Phase 2 of the Digital Skills Project to progress and complete the project. The OBC was approved by the Scottish Government in July 2025. The FBC remains largely the same as the OBC. The table below outlines the updates or changes to the business case since the OBC was approved.

Table 1- Business Case Changes

	Change made from OBC to FBC
Strategic Case	4.25 updated to include the latest information on the impact of generative AI on the workforce and skills landscape.
Economic Case	No change
Commercial Case	Table 25 Activity Commissioning Method and Table 26 Procurement timeline have been added.
Commercial Case	6.5 and 6.6 provide detail on commissioning requirements.
Financial Case	No change.
Management Case	Figure 3 Project Management Structure Updated
Management Case	6.16 Criteria of beneficiaries updates.
Management Case	Risk log has been added as Appendix S.
Management Case	Table 32 Monitoring and Evaluation Methods added.

The Digital Skills project was awarded £4.324m at the signing of the deal to be invested and delivered over two phases. The BJC for Phase 1 outlined a £1.539m investment to be delivered between 2022 and March 2025. Phase 2 was planned as a £2.786m investment to be delivered between April 2025 and March 2030. However, delays in the commencement of project activities led to a request to extend Phase 1 until September 2025. As a result, Phase 1 will complete with an underspend totalling £0.176m.

Phase 2 has been re-profiled to a £2.961m investment including the Phase 1 underspend, with delivery now planned from October 2025 to March 2030. The overall investment is now £4.316m (a reduction of £9K). This is made up of £1.355m for Phase 1 and £2,961m for Phase 2. A change request for the new reprofiled schedule will be submitted with the FBC.

Phase 1 focused on building capacity and piloting interventions. Phase 2 builds on this foundation, delivering systemic change in regional digital skills delivery. Some of the research carried out during Phase 1 is still relevant for Phase 2 and has been included in the FBC. More current research has been included where available.

The Phase 1 Single Stage Business Justification Case (BJC) for the first three years of the Digital Skills project was approved by the Tay Cities Region Joint Committee in December 2022. To date the project has carried out significant work to:

- Enable the region's colleges and universities to develop existing curriculum and new courses, upskill their staff and support the regional technology ecosystem.
- Deliver training courses to support workers, particularly those from under-represented groups, to adapt to the demands of increasingly digitalised and data-driven workplaces.
- Support tourism and hospitality businesses across the region to identify and adopt technology solutions to enhance productivity and improve customer experiences.
- Provide 16-24 year olds with coding skills.
- Support the Third Sector in developing and delivering employability programmes focused on supporting underrepresented groups seeking employment gain intermediate and advanced digital skills.
- Support key regional tech initiatives, including the Cyber 9/12 Strategy Challenge delivered by the Cyber Quarter and contribute to the establishment of the Tay Cities Regional Tech Ecosystem.

The aim of the project remains the same: to support the regional labour market address the digital skills gap. The evidence base demonstrates that the project is still needed to address the existing skills gap. As a consequence, the Tay Cities Region Skills Advisory Board approved the development of an FBC for Phase 2, the OBC and the FBC for the recommended option.

As for Phase 1, there are three Business Needs and Service Requirements that the project must meet:

- **plugging the digital skills gap,**
- **understanding /satisfying business needs and**
- **creating highly skilled digital talent.**

Between April and September 2024, an external consultant was commissioned to lead the development of an options appraisal for OBC for the Phase 2 project. This work involved extensive consultation with regional partners and led to the recommendation of a preferred option, referred to as Option 5 as detailed in the OBC.

Following the consultation with stakeholders, the emphasis of Phase 2 changes from supporting all sectors to address the digital skills gap, to focusing on supporting the technology sector to address the regional industry skills gap and supporting the tourism and hospitality sector, as a non-tech sector, to embrace the benefits of technology.

The OBC was approved in July 2025, enabling the development of the FBC.

Option 5, aims to build on the work carried out in Phase 1 by commissioning partners across the Tay Cities Region to deliver a programme of targeted digital skills interventions which, delivered together, will drive systems change in the delivery of digital skills across the region. Phase 2 will deliver activities to plug the digital skills gap and create highly skilled digital talent so that current vacancies in the tech sector can be filled.

It will also continue to support one of the region's key growth sectors - travel and tourism - to help the sector to embrace the benefits of digital technology. Phase 2 must build on the momentum created by Phase 1 to deliver systematic change in the medium to longer term.

As Tay Cities Region Deal the Employability and Skills investment must not be used to displace existing funding, Phase 2 will continue to focus on delivering intermediate, advanced, and professional digital technology skills for the technology sector and other sectors. It will not fund basic digital skills which are funded by the Scottish Government's No One left Behind funding.

To meet these objectives, Option 5 includes the following activities:

- Curriculum development and course delivery at intermediate, advanced and professional levels in the following areas: software development; cyber security; data and Artificial Intelligence (AI).
- Enhancement of the [DigiTay website](#) as a regional platform for knowledge sharing and business engagement.
- Continued support for the region's tourism and hospitality businesses to help them identify and adopt technology solutions that enhance productivity and deliver improved customer experiences.
- Introduction of a cutting-edge programme, to be referred to as the 'Rapid Tech' programme in this FBC, which will rapidly upskill and reskill individuals into professional technology roles.
- Provision of work experience for tech students who are studying technology qualifications at HND and undergraduate level in the region to address the concerns outlined by tech companies.

By the end of the Phase 2 project, the following outcomes will be achieved:

- 11 quality and sustainable new job opportunities created as a direct result of this Programme. (100% of the total for the whole project).
- 895 individual clients supported.
- 125 organisations supported. (62% of the total for the whole project.)
- 75% of individuals who are upskilled achieve a recognised training qualification and/or a positive destination.
- Enhanced DigiTay website becomes a regional platform for knowledge sharing and business engagement.
- 100 tech students from college and university provided with work experience.

Table 2 demonstrates the total outcomes achieved in Phases 1 and 2.

Table 2: Total Outcomes to be achieved

Outcome	Phase 1	Phase 2	Total
Quality and sustainable new job opportunities		11	11
Individual clients supported	180	895	1075
Organisations supported	20	125	145
Tech students from college and university will be provided with work experience		100	100
% of upskilled individuals achieving a qualification or positive destination		75%	75%
Development of the existing DigiTay website to become an online platform for knowledge sharing and discussion for businesses interested in developing the digital skills of their workforce.	Initiated	Completed	Fully established

To support inclusive growth ambitions, at least 50% of the project's beneficiaries will be female, 4% BME, 10% disabled and 12% from rural or the most deprived areas.



REPORT TO: TAY CITIES REGION DEAL JOINT COMMITTEE

REPORT ON: HOSPITALITY SKILLS PROJECT TCD024e – OUTLINE BUSINESS CASE

REPORT BY: CAROL CONNOLLY, FIFE COUNCIL

REPORT NO: TCRJC10-2025

1. PURPOSE OF REPORT

- 1.1. This report asks the Joint Committee to note that the Management Group has approved the Business Justification Case (BJC) for Hospitality Skills TCD024e.

2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to:
 - i. Consider this report and the BJC for TC024e Hospitality Skills attached at Appendix 1.
 - ii. Note that Management Group has approved the BJC for Hospitality Skills TCD024e.
 - iii. Note that the BJC for Hospitality Skills TCD024e is subject to Government and Thematic Board approval.
 - iv. Approve the BJC for the Hospitality Skills Project.

3. BACKGROUND

- 3.1. The Regional Skills and Employability Development Programme was awarded up to £20m as part of the Tay Cities Region Deal in the Deal Signing in December 2020. This project has been selected by the Regional Skills and Employability Development Programme and awarded up to £2.000m. This project's initial goals are to have 60 people supported into employment and 900 through training by the end of 2027/28. Ultimately to have 120 people supported into employment and 1,200 through training by the conclusion of the project in 2030. The OBC for Hospitality Skills is presented for approval which if granted will enable the project to draw down the allocated funding. Funding is drawn down when the project submits a claim for money which has already been spent. The key project information is at Appendix 1 and an Executive Summary is at Appendix 2.

4. DESCRIPTION OF PROJECT IN THE DEAL DOCUMENT

- 4.1. This Hospitality Skills project will inspire a new generation of professionals, by encouraging their ambition, developing their skills to flourish in the sector, and demonstrating the careers and opportunities in one of the most dominant industries in the Tay Cities Region. It will assist in reskilling / upskilling those currently within the sector and those seeking to enter it. With a focus on diversifying the workforce and encouraging those facing barriers and challenges to enter the sector as well as enhancing the skills of the current workforce to allow them to progress in their careers, the project will ensure a steady pipeline of talent is available to support sectoral growth over the coming years within the cities and crucially across the rural parts of the region.

5. FINANCIAL IMPLICATIONS

- 5.1. This project is currently profiled to spend a total of £0 capital and £2.000m revenue from the Tay Cities Deal funding. The funding is anticipated to be drawn down as follows:

Year 1 2025/26	Year 2 2026/27	Year3 2027/28	Year 4 2028/29	Year 5 2029/30	Total
235,420	434,820	590,730	464,560	274,470	2,000,000

- 5.2. The project has no leverage in funding.

6. IMPLEMENTATION PLAN

- 6.1. Milestones

Deliverable	Due Date
Key project infrastructure - Project Manager, Regional Hospitality Skills Employers Forum in place	30/10/2025
Develop updated visible career pathways in the education sector (including schools)	30/6/2026
Develop a mentor focused leadership programme to help retention in the hospitality industry	31/12/2026
10 Delivery partners involved from all sectors (business, public sector, education etc)	31/3/2029
120 individuals or beneficiaries supported directly into hospitality employment through the Hospitality Skills Project	31/3/2030
1,200 individuals supported by training through the Hospitality Skills Project	31/3/2030

6.2. Outcomes and Targets

Targets	Baseline	Target Uplift	Date
Total number of beneficiaries	*	1,200	31/03/2030
Quality and sustainable new job opportunities as a direct result of this Programme (1%)	*	12	31/03/2030
Beneficiaries supported into sustainable (greater than 13 weeks), secure and quality employment (10%)	*	120	31/03/2030
Businesses directly supported through this Programme	*	400	31/03/2030
Number of businesses receiving support to	*	250	31/03/2030
1) improve their understanding of recruitment needs and challenges they face, and			
2) increase their ability to access suitably skilled staff (as measured in the Employer Skills Survey)			
Uplift in skills and employability - additional accredited training and skills improvements	*	1200	31/03/2030

* Baselines not used in preparation of the BJC.

6.3. Key Project Risks and Mitigations

Risk	Mitigation
Lack of market demand from both individuals and businesses to achieve participation and investment levels within period specified	Joint working with Local Authorities, business Gateways, National Agencies, He/FE organisations and private sector training and skills providers to create effective marketing and engagement processes, with simple referral processes.
Delays in recruitment of a Hospitality Skills Project team means delivery is slow during 2025/26 and the project fails to invest as profiled.	The recruitment process will be started at the earliest opportunity. This will utilise different mediums of communication as well as explore opportunities for internal recruitment from local authorities and tertiary education organisations.
Delays in procurement of interventions means delivery is slow during 2025/26 and the project fails to invest as profiled.	Use of existing frameworks and delivery processes to start procurement quickly. Procurement strategy to be developed for the project once Project Manager recruited.
Businesses and other partners require a range of delivery models that slows down delivery for some areas and interventions during 2025/26 and the project fails to invest as profiled.	Ongoing engagement with key stakeholders to set expectations early. Role of members of the Project Board. Use of Heads of Agreement to formally agree expectations, including resources.
Individuals do not have access to the quality of courses required to undertake online training, so they fail to complete their training.	Ongoing engagement with local employability teams to establish simple referral processes to tackle this and any other barriers to participation.

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

Stage	Milestone	Date achieved
BJC	Governments' Endorsement	August 2025
	Thematic Board recommendation	June 2025
	Management Group approval	August 2025
	Joint Committee approval	

8. CONDITIONS

- 8.1. Approval of the BJC is subject to Government and Thematic board approval.

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. The project will have a positive impact on equality, diversity, fairness and poverty.

10. CONSULTATIONS

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

Fife College Project Management Officer: Iain Hawker
 Responsible Finance Officer: Matt Swan
 Management Group Sponsor: Carol Connolly

Report author: Gary Ford
 Title: Systems, Tenders and Contracts Co-ordinator
 Email address: garyford@fife.ac.uk
 Phone number: 0344 248 0115

Date: 3rd June 2025

APPENDIX 1

Project Information	
Project number	TCD024
Project name	Hospitality Skills
Project owner	Iain Hawker, Fife College
Project Finance Director	Matthew Swan, Fife College
Management Group Sponsor	Carol Connolly, Fife Council
Award amount under TCD	£2.000m
Jobs: Target number of jobs to be created	12
Leverage to be achieved	Project is fully funded by TCRD monies

APPENDIX 2

EXECUTIVE SUMMARY

This Business Justification Case (BJC) has been prepared by the lead partner Fife College with a request for £2.00 million revenue funding through the Tay Cities Regional Deal (TCRD) Skills and Employability Development Programme to deliver a targeted skills project that seeks to support Hospitality Skills jobs and opportunities across the Tay Cities Region.

The project aligns to “Project 3: Hospitality Training” as detailed in the Skills and Employability Development Programme Business Case which stated “This project will also play a significant role in upskilling and reskilling the existing workforce to take account of new business models required to implement efficiencies and create greater opportunities for growth, innovation and diversification.

Some of the individuals supported through the project may proceed towards establishing new hospitality businesses. This project will be needs driven, based on interventions the industry feel will make the biggest difference to their future growth prospects, particularly in the post Brexit, post-COVID-19 environment. These interventions will be complementary to all existing provision.

The project will inspire a new generation of professionals, by encouraging their ambition, developing their skills to flourish in the sector, and demonstrating the careers and opportunities in one of the most dominant industries in the Tay Cities Region. It will assist in reskilling / upskilling those currently within the sector and those seeking to enter it. With a focus on diversifying the workforce and encouraging those facing barriers and challenges to enter the sector as well as enhancing the skills of the current workforce to allow them to progress in their careers, the project will ensure a steady pipeline of talent is available to support sectoral growth over the coming years within the cities and crucially across the rural parts of the region.”

This document sets out the scope of the Hospitality Skills project and identifies the delivery options and how it will be delivered. It uses the Green Book template for a Single Stage Business Case - Medium Value and Risk (£250k to £2 million value of procurement).

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

- Sector disproportionately impacted by COVID and Brexit
 - 14.6% sectoral workforce EU nationals

- Major ongoing skills and employability challenges with c12,000 job demand to 2030
- Talent attraction and retention a challenge.
- Realigning sector perceptions and requirements.
- Scottish and regional businesses find recruiting qualified individuals with hospitality skills is a challenge.
- Mapping of current provision.
- Educational and Career Pathways looking to be refreshed.
- Under-represented groups should be encouraged to acquire skills for a career in hospitality. Focus will also be on equalities and the Fair Work agenda.
- Supports Scotland's Economic strategy by helping employers access the individuals they need.
- Supports [Dundee City Council Plan \(2022-2027\)](#), [Perth and Kinross Corporate Plan \(2022 to 2028\)](#), [Fife's Economic strategy \(2023-2030\)](#), [Angus Council Plan \(2023-2028\)](#) and the [Tay Cities Economic Strategy \(2019 - 2039\)](#).
- Aims to support the better use of existing resources, aligning, and integrating them in ways that relate to local infrastructure of support and the opportunities available.
- Commitment to working towards a reduction in the regions carbon emissions impact, in line with net-zero carbon targets.

	Capital (£'000)	Revenue (£'000)
City Deal Ask	NIL	Year 2025/26 £235.420 Year 2026/27 £434.820 Year 2027/28 £590.730 Year 2028/29 £464.560 Year 2029/30 £274.470 Total £2.000m

Output / Benefits	Target
Key project infrastructure - Project Manager, Regional Hospitality Skills Employers Forum in place.	30/10/2025
Develop updated visible career pathways in the education sector (including schools).	30/6/2026

Develop a mentor focused leadership programme to help retention in the hospitality industry.	31/12/2026
10 Delivery partners involved from all sectors (business, public sector, education etc)	31/3/2029
120 individuals or beneficiaries supported directly into hospitality employment through the Hospitality Skills Project.	31/3/2030
1,200 individuals supported by training through the Hospitality Skills Project.	31/3/2030

It is important to note that Tay Cities Regional Deal investment through the Employability and Skills Programme must not be used to displace existing funding. This project will focus on all skills levels for the hospitality skills sector. The project will have one distinct execution phase from 2025 up to 2030.

This single stage business justification case project currently aims to begin delivery during 2025/26 period. A total funding of £2.00 million is required for the project.

The aim of the project is to support the regional labour market through skilling, re-skilling, and upskilling in hospitality skills, building activities with opportunity in-mind. There is a need to map existing provision to highlight current offering and identify gaps. There are three Business Needs and Service Requirements that must be met by the project: 1) plugging the hospitality skills gap, 2) understanding/ satisfying business needs and 3) creating unrivalled talent.

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

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

The project's initial goals are to have 60 people supported into employment and 900 through training by the end of 2027/28. Ultimately to have 120 people supported into employment and 1,200 through training by the conclusion of the project in 2030. This gives time for courses/training to align with sector requirements and deliver to sector needs.

Complimenting ongoing initiatives will be the development of a Regional Hospitality Leadership Group and Employers Forum, providing direction on the priorities for the project.

The initial work must quickly and flexibly help individuals and businesses recover from the pandemic and other employment recruitment and retention issues, so regional delivery of national initiatives increasing job vacancy fulfilment, visible career pathways and take up will be an early priority.

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

- Mapping to current provision, identifying gaps and presenting a unified offer involving all skills ranges for a full range of businesses (small, medium, and large).
- Establishment of a challenge-based, resource-light grant process.
- Buy-in and commitment from education partners reviewing transparent career paths from early in education.
- Have a more systematic partnership existing between the businesses, schools and tertiary education partners over the whole of the Tay Cities region.
- Evidence can be demonstrated that hospitality skills levels in disadvantaged and diverse groups have risen.
- Employer led courses (or intensive, or immersive learning or modular courses) have taken place and are continuing.

Ongoing development of the project execution plan will be undertaken by the Project Manager, subject to approval of the Skills Advisory Board, to ensure delivery goals meet the ongoing requirements for businesses throughout the project's lifetime.

Ambitions for the project are as follows: 1,200 people trained through the hospitality skills programme including 120 individuals supported or safeguarded into employment. 50% of the beneficiaries will be female, 15% from SIMD20, 4% BME and 10% disabled in line with the targets for the Regional Skills and Employability Development Programme.

Targets	Overall Programme total
Total number of beneficiaries	1,200
Quality and sustainable new job opportunities as a direct result of this Programme (1%)	12
Beneficiaries supported into sustainable (greater than 13 weeks), secure and quality employment (10%)	120

Businesses directly supported through this Programme	400
Number of businesses receiving support to	250
1) improve their understanding of recruitment needs and challenges they face, and	
2) increase their ability to access suitably skilled staff (as measured in the Employer Skills Survey)	
Uplift in skills and employability - additional accredited training and skills improvements	1,200
Development of a pan-regional skills development and employability approach, built on enhanced cooperation, collaboration, and partnership working.	N/A – this will be measured through qualitative impacts (surveys, case studies, evaluation, etc.)
In increasing workforce representation, the Programme will look to target specific underrepresented groups and those furthest from the labour market:	
Females - 50% of all beneficiaries	600
BME - 4% of all beneficiaries	48
Disabled - 10% of beneficiaries	120
Sustained increases in recruitment of and employability and skills development opportunities for people from deprived areas i.e. intervention will target those furthest from the labour market across the region.	120
N.B. Figures for BME and Disabled beneficiaries are a broad representation of the share of the total regional population with these characteristics. These have been arrived at through use of Annual Population survey data on NOMIS, and in conjunction with key regional partner insight.	
The number of beneficiaries likely to come from deprived areas is based on SIMD data and has been arrived at in discussion with partners.	
It is expected that, given the regional demographics and relative levels of deprivation, there is likely to be a relative geographic concentration of beneficiaries within certain areas of the region.	