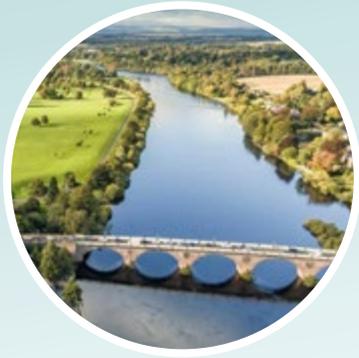# TAYCITIES
Smarter + Fairer

Tay Cities Region Deal

BENEFITS REALISATION PLAN

REPORT 5 | September 2025

Funded by
UK Government

Scottish Government
Riaghaltas na h-Alba

Contents

Introduction

Purpose

The purpose of this Benefits Realisation Plan (BRP) is to demonstrate, to our local, regional and national stakeholders, how the Partnership (we) will capture the outputs, outcomes, and impacts resulting from Tay Cities Region Deal investments. It is the Partnership's approach to monitoring and evaluation.

In this document, "Project" relates to the Programmes, Fund and Projects within the Deal.

The Benefits Realisation Plan will:

- Identify, collate and explain the collective benefits of the Deal as a whole;
- Outline the processes followed by the Tay Cities Region Partnership to maintain a regular record of project delivery;
- Provide a framework for constructive evaluations of Projects; and,
- Act as a guide for the Project Owners for monitoring and evaluation.

This Plan, therefore, sets out our approach to:

- Project monitoring and reporting, including definitions guidance; and
- Both the Deal Programme and project evaluation.

Updates to the Benefits Realisation Plan will be reviewed annually as part of the Annual Performance Report.

Strategic Context and Objectives

Deal Overview

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

Table 1 sets out the investment from both the UK and Scottish Governments, split by the themes in the Deal.

INCLUSIVETAY

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

INNOVATIVETAY

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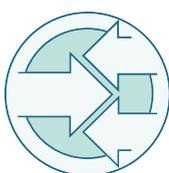
CONNECTEDTAY

Connect
by improving physical and digital infrastructure.

Table 1: Total Anticipated Deal Contributions

Tay Cities Theme	Governments (£m)	Jobs	Leverage (£m)
Skills	30.1	257	0.5
Innovative and International	188.2	5,595	332
Culture and Tourism	49.7	661	54
Digital	4	0	6
Transport	28	627	7.5
Total	**300**	**7,140**	**400**

The jobs commitments reflect those at Deal Signing or if a full business case has secured approved, whichever is most recent. If a Project has an approved commitment as part of a change request, the new agreed commitment is reflected.

There are some Projects that will need to refine their Deal Signing commitments for jobs as they develop their business case. At the moment, there is a forecast additional jobs above the 6,000 job commitment. This will be informed by the benefits reporting and updated in the Benefits Realisation Plan annually.

Inclusive Growth Challenges

In broad terms four interlinked challenges were identified, as detailed in the **Deal Document**:

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

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

Benefits Realisation Plan Audiences

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

- **UK and Scottish Governments as well as the Scottish City Region and Growth Deals Delivery Board** - to enable them to monitor and review progress of the delivery of the Tay Cities Region Deal outcomes and impacts;
- **Accountable Body/Auditors** - to consider achievements as well as any interventions that have been less successful, and understand what evidence is available and how it is collected;
- **Tay Cities Region Deal Partnership**
- **Tay Cities Region Joint Committee** - in their role as the primary decision-making body for the Deal overseeing investment and approving all relevant business cases;
- **Tay Cities Management Group** - as this Group is tasked to: support the Joint Committee in the delivery of the Deal, ensuring that it is aligned towards achieving its inclusive growth ambitions; monitor delivery of milestones (including benefits realisation); and, identify priorities and develop solutions to maximise private sector investment in the Tay Cities region;
- **Finance Directors Group** - that supports both the Management Group and Joint Committee in overseeing the Deal's finances; ensures that the Deal funds are being spent as set out in the Financial Plan (and therefore the consequent outputs anticipated under this Plan are likely to be delivered); and considers and escalates any risks to the Management Group;
- **Heads of Economic Development** - across the four Councils that, amongst other roles, are tasked to provide support and challenge to projects within the Deal provide advice as required.

They also lead for the partnership on the delivery of Inclusive Growth and the Regional Economic Strategy Action Plan;

- **Tay Cities Region Enterprise Forum** - from a business and third sector perspective this forum will provide knowledge and expertise to the Joint Committee and Management Group to assist them in implementing the Deal and achieve the benefits committed to. The Enterprise Forum will be able to use Benefits Realisation reporting to reflect on findings and consider opportunities for future funding as part of the Deal and other areas of work;

- **Tay Cities Region Higher Education/Further Education Forum (HE/FE Forum)** - which, from an education sector perspective, will adopt the same roles as the Enterprise Forum above; and,

- **The Five Thematic Boards** - given their role to develop and maintain oversight of projects across the five Deal themes and, in particular, reviewing and assessing business cases (and any requests for change to approved projects) and leading and maximising collaboration (and benefits realisation) across other Deal themes and other regional stakeholders.

Programme Theory of Change

All of the Projects, as a result of the work initiated by this Plan:

- Are in the process of developing or have developed their individual Logic Chain Models as part of their business case; and,

- Given the above, will provide the PMO, using the reporting template at Appendix C, with information in relation to the outputs, outcomes and impact measures they will use and timetables over which they will report these measures.

Prior to the completion of this work - and for the purposes of this Plan – a high-level Logic Model has been developed, as outlined at Table 2. It will be updated as individual Logic Chain Models come forward.

As illustrated, Table 2 provides a broad overview of:

- The **inputs and activities** identified within the Deal;

- Main **beneficiary groups/conditions** (in terms for example of the Region's residents and environment) that will be impacted by these activities;

- Short term **direct outputs** that will result within these groups/conditions on completion and operation of Programme facilities and interventions;

- A range of **intermediate** medium-term impact indicators of relevance to each project that they will seek to capture, against agreed baselines and outcomes; and,

- A **minimum number** of long-term impacts that focus, at an overall level, upon the sustainable benefits of the Deal in terms of:

  - Economic growth, including sustainable employment growth and increases in investment and associated returns;

  - How the above is aligned to and supports the delivery of the Deal's inclusive growth objectives; and,

  - The associated developments that might be linked to the Tay Cities Region Deal, over and above those initially identified under the capital and revenue expenditure across the Deal.

Table 2: Deal Programme Logic Model by Tay Cities Region Deal Theme

SKILLS THEME	
Input (£m)	30.6
Activities	Projects targeting skills development for other Tay Cities Region Deal projects and reskilling in both the region and Scotland's aviation & engineering sectors
Main Beneficiary Groups	- Tay Cities region residents - age, gender - Protected characteristics/communities - disadvantaged, SMID, rural Businesses - SMEs, sectors, Investors
Short Term Outputs	- Increase total number of beneficiaries - Increase sustainable[1] new job opportunities - Increase number of businesses directly supported by projects within this theme - Increase number of beneficiaries supported into sustainable employment - Increase number of businesses receiving support to 1) improve their understanding of the recruitment needs and challenges they face, and 2) increase their ability to access suitably skilled staff (as measured in the Employer Skills Survey) - Uplift in skills and employability – additional accredited training and skills improvements - Development of a pan-regional skills development and employability approach, built on enhanced cooperation, collaboration, and partnership working - 600m^2 Centre of Excellence for Tay Cities Engineering Partnership resulting in a space for companies to access, projects to evolve and £500k private sector investment in equipment - Increased productivity and economic output
Medium Term Impacts	- Increased number of participants are in sustained employment - Enhanced partnership working within and across all local Authority areas - Service quality is standardised across Local Authority areas - Benefits for individuals- skills and personal development, health, and wellbeing - Upskilling and targeted support for low paid individuals and those further from labour market - Improved alignment with specialist support - Housing & Health and Criminal Justice - Improved Business Base benefitting from a diverse and skilled workforce - Increased employer engagement to facilitate employment of participant groups and deliver Fair Work - Increased regional productivity - Industry led upskilling programmes addressing the needs of the existing and emerging sectors
Longer Term Impacts	- Making a positive contribution to: Levels of quantifications and skills across the City Region, providing a skilled workforce, equipped for the requirements of the labour market - Improving the employability landscape - Integration and alignment of employability services within Tayside with effective support and service provision in urban and rural areas - Increasing the employment rate - Decreasing unemployment/economic inactivity rate - Reducing the number of workless households Improving equality and diversity across the region - Uptake of the Fair Work - Reducing levels of child poverty and deprivation - Increased uptake of companies using digital technologies and advanced manufacturing techniques for design, prototyping and POC - Increased productivity in the engineering and manufacturing sector - Providing a skilled workforce equipped for the needs of the EAM sector - Future proofing the regional life sciences sector - Changing culture – supporting diversity in the sciences

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[1] Sustainable and sustained jobs defined as 'greater than 13 weeks' for Skills projects

INNOVATIVE, INTERNATIONAL THEME	
Input (£m)	520.2
Activities	Development of a range of bio-medical, food, environmental, cybersecurity, and legal sector focused facilities
Main Beneficiary Groups	- Construction and supply chain - Relevant sectors - Tay region residents - Students
Short Term Outputs	- Construction and Supply Chain jobs - Community Benefits as a result of procurement practices - Site Occupancy & Service take up - Student/ Start-ups take up - Indirect impact resulting in reduced carbon emissions
Medium Term Impacts	- New jobs created - Student wage uplifts - Research & Adoption uplifts and other - Investment secured - New theme supported SMEs/Start-Ups - Student wage uplifts - Knock on or wider falls in carbon emissions[2]
Longer Term Impacts	- Sustained employment/wage rate uplifts. - Returns on Investment - Inward Investment - Increased knock on or wider falls in carbon

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

CULTURE & TOURISM THEME	
Input (£m)	103.7
Activities	Development of seven tourism & culture projects to enhance the offer and reputation of the Region as a visitor destination
Main Beneficiary Groups	- Construction and supply chain - Tourism and Culture sectors
Short Term Outputs	- Construction employment & apprenticeship opportunities and wider community benefits - Community Benefits as a result of procurement practices - Uplift in day visitors, including domestic visitors, visitors from out-with the region (UK) and foreign visitors - (Relevant) Site Occupancy - Minimised whole life and embodied carbon - Enhance partnerships with local education providers and community groups working with TCRD partners and more widely
Medium Term Impacts	- Quality jobs created and safeguarded - Investment secured - Regional Economic Multiplier effects of wider visitor spend - Additional high quality / high value tourism to the TCRD Region - A positive contribution to inclusive growth by influencing and supporting the culture and tourism sector
Longer Term Impacts	- Sustained theme related employment - Enhancing the offer of the region as a tourist destination - Returns on investment

DIGITAL THEME	
Input (£m)	10
Activities	Development of High Speed Broadband & 5G Testbeds to enhance access in rural areas with little or no current connectivity
Main Beneficiary Groups	- Construction and supply chain - Users, including public sector, industry, academia, third sector and citizens
Short Term Outputs	- Construction and supply chain jobs - Community Benefits as a result of procurement practices - Infrastructure in place - Minimised whole life carbon costs - Reduced costs and barriers to 5G deployment - Increase in 5G Research & Development (R&D) investment - Increased commercial certainty about 5G - Increased participation and collaboration within the 5G ecosystem - Enhanced perceptions of 5G regionally and nationally
Medium Term Impacts	- New jobs created - Investment secured - Improved Connectivity - Wider user benefits[3] - Commercial scale up of 5G technologies and uses - Knowledge spill over – research outputs, patents developed - 5G professional skills and expertise develops - Enhanced sustainability of 5G projects/ecosystem - Tay Cities region becoming a leading 5G and technology region
Longer Term Impacts	- Sustained theme related employment - Associated (user) productivity uplifts - Accelerate and/or enhance deployment of 5G - Attract inward investment in telecoms and digital - Earlier realisation of benefits from 5G

[3] By redressing the imbalances caused in rural areas by reduced or non-connectivity. For example, the inability to access online services causing high levels of loneliness and isolation; community safety; Emergency Services having poor access to mobile networks; and tourism destinations and events not being able to offer connectivity that visitors expect.

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

Reporting Roles and Responsibilities

Roles

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

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

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

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

Reporting

There is a current established quarterly reporting regime in place for the Partnership. All of the Programmes, Fund and Projects have been asked to show the delivery of their outputs, outcomes and impacts on an annual basis, in line with the Annual Performance Report. This is to enable the Partnership to align the reporting with the Annual Performance Report that has been set by Governments. This is the Project/Programme/Fund assurance to the Partnership and Governments; it is signed by the lead and Finance Director and covers the financial and benefits commitments.

This has been integrated as part of the wider reporting requirements for Programmes, Fund and Project Owners, as set out in their legal agreement. Benefits reporting is collected in Q2.

Quarterly performance meetings, between the PMO and Government representatives, cover project progress by exception, financial monitoring, and performance, including monitoring and evaluation.

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

Monitoring Approach

Purpose of Monitoring

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

Baseline Information and Gaps

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

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

Outputs, Outcomes and Impacts

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

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

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

To ensure consistent reporting across the Deal a:

● **Guidance document** (Appendix A) was developed and agreed to inform the Partnership's commitment at Deal Signing; and a,

● **Reporting template**, for use by all Projects, has also been developed (Appendix C) in order to ensure agreed outputs, outcomes and impacts can be consistently reported and progress compared across projects, themes and the overall Deal.

Figure 1 provides a high-level summary of the outputs indicators that are likely to be adopted against the five Deal themes.

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

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

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

Definitions

A set of 11 definitions for outputs were developed and agreed ahead of Deal Signing. These are set out in Appendix A. They inform the commitment that the Partnership entered into Deal including the 6,000 jobs and £400m leverage. They are the commitments against which all Business Cases are reviewed.

At Deal Signing a number of the Projects had TBC's against their commitments. This reflected, in some cases, that they were in the early stages of development. As each Project submit their business cases for approval by the Joint Committee they will be required to set out what their outputs are.

It is recognised that there are a number of outputs that projects have identified in addition to the agreed 11. These will also be captured and reported on.

Carbon Management

On 18th August 2021, the Scottish Government issued guidance relating to carbon assessment and management on behalf of both Governments. This was developed to meet Scotland's net zero whole life carbon emissions trajectory by 2045. Within the guidance, a set of carbon definitions were defined to support reporting. These are set out in Appendix B. Training and support continues to be provided by the Scottish Government to facilitate an understanding of the whole life carbon cost implications of all projects across the Deal. This will support Programmes, Fund and Projects to implement the guidance.

The carbon emissions impact of a Deal is considered by the Scottish Government to be a key output, therefore it is expected to be included in a Benefits Realisation Plan (BRP). Due to the varied nature of Deal projects, 'Carbon Emissions Impact Key Performance Indicators (KPIs)' should be chosen to suit the Deal and its projects' characteristics.

Projects should be able to demonstrate their understanding of the carbon emissions impact of their project by utilising the Scottish City & Regional Growth Deals Guidance Categorisation Form. Where appropriate, advice and support will be provided as required on request of the Scottish Government, via the PMO. This will be in the form of training and support sessions, for example.

Risks

As part of workshops held with all year 1, 2 and 3 programmes/projects for the Tay Cities Region Deal in January 2022, a number of risks were highlighted including inflationary impacts, changes to baseline data as a result of Brexit and Covid implications, and resource/capacity issues related to long-term monitoring and evaluation.

These risks are still relevant, and the pressures relating to inflation have and continue to remain a standing item across all parts of the TCRD governance. This, coupled with the deliverability of the Deal Programme from years 6-10, is a risk to benefits being realised by 2035. This is being actively discussed with the Partnership and Governance and will be monitored through reporting.

Any update to the risks continue to be provided as part of future Benefits Realisation Plan updates and the Deal's Risk Register at a Deal Programme level.

Evaluation

Annual Performance Report

An Annual Performance Report is produced in Q3 annually, which outlines the activities of the Deal in the previous year, from 1st October to 30th September, and the proposed priorities for the upcoming year. This will also include a financial statement, updates for the Deal Projects that have been approved, and benefits updates.

The Annual Performance Report is available at the end of each financial year on the **Tay Cities website**. The previous Reports are available via the following links:

- **Annual Performance Report December 2020 – September 2021**
- **Annual Performance Report October 2021 – September 2022**
- **Annual Performance Report October 2022 – September 2023**
- **Annual Performance Report October 2023 - September 2024**

Project Evaluation

Understanding the impact of the Deal beyond the delivery of the direct outputs and outcomes, is an important part of achieving the aspirations of the Deal. Projects, Programmes, the Fund and the overall Deal will all be part of the approach to evaluation.

All Projects, in line with the HM Treasury Green Book, are required to set out evaluation arrangements as part of the Management Case in their business case. Any Project may be asked to provide a report, evaluating the performance against agreed baseline information and subsequent outputs and outcomes. Project Owners will also be required to evaluate how the Project has delivered against the overall Deal commitments.

The PMO have developed a schedule of potential evaluation reports utilising the evaluation arrangements set out in an approved business case, in parallel to the publication of this Benefits Realisation Plan update. The list will determine a list of Project(s) that may be asked to produce an evaluation report, and inform a recommendation to the Thematic Board and Management Group to agree. This will be agreed on an annual basis.

This began in Year 6 (2025/26) and then every year thereafter, if there are feasible Projects, to ensure that there is representation of at least 1 Project in each thematic area. Given the number of Projects within the Tay Cities Region Deal, evaluations will be sought from a selection of Projects only.

Evaluation reports will also be required and provided by select Projects at the end of the Deal term, following completion of all monitoring. This is by the end of 2034/35.

All parts of the Deal Partnership and the Governments will be provided with resultant evaluation reports. As highlighted above, the Annual Performance Report will be an opportunity to demonstrate wider impacts of the Projects and on the Deal Programme on an annual basis.

Selection Process – Role of the Thematic Board and Partnership

As part of the selection process, each TCRD Thematic Board will be asked to consider the evaluation arrangements that are already agreed as part of the business case review process.

The Thematic Boards are recommended to consider and review Projects based on their stage of implementation, if they are an innovative Project, and consider the value of each Project.

The role of the Thematic Board in evaluation builds on the existing purpose of each Board, per the Terms of References, to support regular progress reporting on all Projects to funders and key stakeholders; this includes the Partnership and Governments. The scope of the evaluation will be agreed by each Thematic Board at this stage.

Projects that are selected will be recommended by the Board to the Management Group for consideration and agreement, prior to any Project being asked to complete an evaluation report. This will include the proposed scope of evaluation, method, and timescales for the evaluation to be completed.

To support the Thematic Board members, guidance has been developed by the PMO with engagement with each of the Thematic Boards.

Role of the Project Owner

Those selected will be asked to complete an evaluation report to assess their performance, in line with the **HM Treasury Magenta Book.**

As a minimum, Projects must provide a case study(s) and utilise the benefits realisation reporting of outputs to produce the evaluation report. The report should not only be specific evaluation for each Project's investment, but should also show how it has delivered against the Deal.

Guidance has been developed to support Project Owners, as shown in Appendix C.

Programme/Fund Evaluation

The Programmes within the Deal e.g. Regional Culture & Tourism Investment Programme, Advanced Manufacturing Programme and Regional Skills & Employability Development Programme, will also be required to produce an evaluation report; once as an interim review and again at the end of the Deal term, following completion of all monitoring.

This will be done through a coordination of projects within each Programme in delivery. The Project evaluations will inform the Programme evaluation. The schedule will be informed by Thematic Board recommendations.

This will include an overview of Deal commitments achieved and case studies, in line with the Magenta Book.

Deal Programme Evaluation

In addition, there is a requirement for the Partnership to undertake a Deal Programme evaluation.

Through review of other Deals best practice and in discussions with both Governments and the Partnership, it is recommended that an interim peer review began in 2025/26, using the expertise of the monitoring and evaluation resources for the Edinburgh and South East City Region Deal.

A Deal Programme Review will be repeated at the end of the Deal Term in 2034/35, once all monitoring of the Deal's commitments has ended.

These reviews will enable progress towards prescribed milestones as set out in the Deal Implementation Plan to be reviewed and evaluated, and will be in line with the Deal Document. An interim evaluation will also be an opportunity to identify priorities for the next phase of delivery.

For the Deal Programme evaluation, the terms of the evaluation were agreed by the Partnership, including Joint Committee, and the Governments before being carried out. Once the Interim Programme evaluation is complete, it will be reported to the Partnership and Governments before publication.

There will also be an opportunity as part of future reviews of the Benefits realisation Plan to consider evaluation of specific themes for the Deal, for example clean growth.

Appendix A

Tay Cities Region Deal: Outputs, Outcomes and Impacts Guidance and Definitions

Tay Cities Outputs Definitions at Deal Signing

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

Table 3 – Deal Signing Outputs Definitions

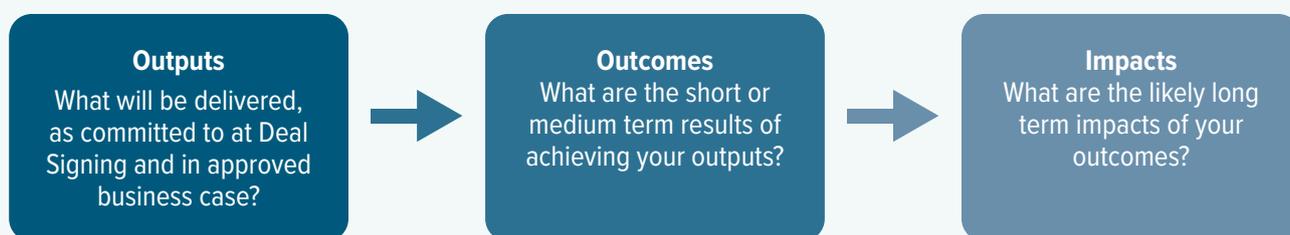| Output	Definition
New Jobs	New, FTE, permanent, paid job created as a result of the project
Construction Jobs	New, FTE, permanent, paid job created with construction sector partners as a result of the project (including apprenticeships)
Jobs Protected	FTE, permanent, paid job retained in the organisation/sector as a result of the project (including apprenticeships)
Journey Time Savings	Improvement in journey times (minutes) between point A and point B as a result of the project
Development Space Unlocked	Additional space (m^2) created as a result of the project
Training Places	Number of additional training places created as a result of the project (excluding apprenticeships)
Visitors	Number of visitors attracted to the project
Start-Ups	The number of new businesses created as a result of the project
SME's Supported	The number of businesses (with no more than 250 employees) supported by project activity
Private Sector Investment	Funding from non-public sector sources
Leverage	Leverage is defined as any funding/contribution to total project costs excluding Tay Cities Deal funding and unrecoverable VAT.
- LA leverage - HE/FE Leverage - Private Sector Leverage - Any other leverage	Funding/Contribution secured from Local Authority partners Funding/Contribution from HE/FE partners to the project Funding/Contribution from Private Sector partners Funding/Contribution from any other parties to the project

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

Definitions Guidance

To help with benefits reporting, a guidance note will be developed to provide support when considering outputs, outcomes and impacts. The PMO will continue to liaise with the National PMO Networking Group to develop a set of definitions guidance, to support all Deals. Any guidance will be shared, as appropriate.

The list provided will not be exhaustive and will take examples from Benefits Realisation reporting as this evolves: additional project specific outputs, outcomes and impacts, as agreed at Deal Signing and in approved Full Business Cases, should be considered and reported where appropriate. Figure Two provides a high-level summary of what to report against outputs, outcomes and impacts.

Figure 2 – Reporting example and high-level definitions

Outputs
What will be delivered, as committed to at Deal Signing and in approved business case?

Outcomes
What are the short or medium term results of achieving your outputs?

Impacts
What are the likely long term impacts of your outcomes?

Carbon and Environmental Definitions

As noted in Section 5 of the Plan, the Scottish Government issued guidance, on behalf of both Governments, relating to carbon management in August 2021 and updated in August 2022. Within the guidance, a set of carbon definitions were defined to support reporting. These are set out below in Table Five. Training and support continues to be provided by the Scottish Government to facilitate an understanding of the whole life carbon cost implications of all projects across the Deal.

In addition, it is a requirement that all projects must complete Appendix A of the Scottish City Region and Growth Deals Carbon Guidance so that the Governments are able to understand the likely impact of each project in relation to carbon impacts. This is a minimum requirement; however, any other commitments to carbon related outputs and monitoring is welcomed. The following table includes a range of example Carbon & Environmental Outputs.

Table 4: Example Carbon and Environmental Outputs

Definition	Evidence
1. What are the embodied carbon emissions resulting from the project? (tonnes CO_2e)	
Embodied carbon is the total greenhouse gas emissions (often simplified to "carbon") generated to produce a built asset, excluding operational emissions. CO_2e is shorthand for carbon dioxide equivalents, the standard unit in carbon accounting to quantify greenhouse gas emissions. Embodied carbon includes emissions caused by extraction, manufacture/processing, transportation and assembly of every product and element in an asset. In some cases, depending on the boundary of an assessment, it may also include the maintenance, replacement, deconstruction, disposal and end-of-life aspects of the materials and systems that make up the asset. Suitably authoritative carbon factor sources should be used in embodied carbon calculations, e.g. ICE Carbon Inventory, Environmental Product Declarations (EPDs), CESSM4, etc.	The level of evidence detail will depend on the phase of the project. At concept stage an estimate based on major project elements (e.g. steel, concrete, floor area, etc.) will suffice. As a bill of quantities develops, so will the embodied carbon estimate. Evidence will be in the form of a simple calculation with clear workings and assumptions that should be broadly as accurate as the associated cost estimate.
2. How have embodied carbon emissions been minimised?	
A description of the techniques used to arrive at the embodied carbon figure.	Evidence could include referring to the carbon management process used (e.g. PAS 2080, RICS Whole Life Carbon Assessment for the Built Environment, BREEAM, etc.) and associated procurement mechanisms to minimise carbon. Evidence could also include the use of low carbon materials or construction techniques with associated estimated carbon savings. Circular economy contributions, including waste minimisation and materials re-use, should be included here.
3. What are the annual operational carbon emissions resulting from the project? (tonnes CO_2e/year)	
Operational carbon emissions result from the operation of a built asset. This includes carbon emissions associated with heating, hot water, cooling, ventilation, and lighting systems, as well as those associated with cooking, equipment, and lifts (i.e. both regulated and unregulated energy uses).	Predicted or actual data should be provided in relation to energy use, using best practice carbon conversion factors, e.g. the BEIS Greenhouse Gas Reporting factors or local equivalents where relevant.
4. How have operational carbon emissions been minimised?	
A description of the techniques used to arrive at the operational carbon figure.	Evidence could include referring to the carbon management process used (e.g. PAS 2080, RICS Whole Life Carbon Assessment for the Built Environment, BREEAM, etc.). Evidence could also include the use of renewable energy technologies or low carbon heating systems.

Definition	Evidence
5. What are the estimated whole life carbon emissions resulting from the project over its design life? (tonnes CO_2e)	
Whole life carbon is the sum of a project's embodied carbon and operational carbon over a specified period, e.g. its design life or 60 years.	Evidence would be a calculation showing the sum of the embodied and operational carbon values.
6. What whole life carbon savings are estimated compared to a 'business as usual' approach to project design and construction? (tonnes CO_2e)	
Savings can only be demonstrated against a legitimate carbon baseline, i.e. what carbon emissions would have resulted from the project had active carbon reduction measures not been in place.	Justification of the carbon resulting from the business as usual scenario, then a calculation showing the difference between this value and the project's whole life carbon emissions.
7. How will the project become operationally net zero carbon by 2045?	
A net zero asset may be defined as one that achieves a level of energy performance in line with national climate change targets that does not burn fossil fuels and that is 100% powered by renewable energy. Net zero is essentially the achievement of a balance of zero greenhouse gas emissions by taking actions to remove the same quantity of greenhouse gases from the atmosphere as all of the activities under consideration generate.	Evidence could include an outline description of how the project will feasibly decarbonise over time, e.g. by introducing new renewable technologies or following electricity grid decarbonisation (if the asset is powered only by electricity). Potential barriers to achieving net zero (e.g. financial, technological, skills, etc.) should be highlighted here.
8. How has the project contributed to a more environmentally sustainable transport network?	
An important gauge in the environmental sustainability of a transport network is the carbon emissions it generates. Carbon emissions quantification usually requires traffic modelling, although this may not always be necessary, depending on the project.	Evidence will be project-dependent, from a qualitative description for negligible carbon impact projects, to quantification based on traffic modelling for potentially significant carbon impact projects (e.g. sizable roads projects).
9. Detail how the project has contributed to any other areas of environmental sustainability, e.g. mitigating pollution, dealing with contamination, enhancing biodiversity, etc.	
Environmental sustainability here is distinct from social or economic sustainability, which are covered by separate outputs.	Summary bullet points will suffice here. Evidence could include reference to an Environmental Impact Assessment (EIA) report or BREEAM certification if available. Other contributions towards environmental sustainability should also be highlighted here.

Appendix B

Reporting Template

The Benefits Realisation reporting template should be complete in Q2 annually with the Quarterly Report.

TCRD BRP Reporting
Template blank.xlsx

The following guidance note will support Programme, Fund and Project Owners to provide benefits updates.

Benefits Realisation
Reporting Guidance N

Appendix C
Evaluation Guidance

Project Evaluation

Purpose: The purpose of project evaluation is for Project Owners to share with the Partnership and the Governments the challenges and successes of project development and delivery, including benefits. It may be carried out as an interim evaluation report or once the Project is completed. The frequency is determined by i) evaluation arrangements set out in a Project's approved business case and ii) Thematic Board recommendation.

Evaluation reports will demonstrate how a Project is being, or has been, implemented and what effects it has, who/what groups have been impacted and why. As part of this, Projects will be able to show what learnings they have had and estimates of the overall impact of the Project and its cost-effectiveness.

Audience: Evaluation reports are used to inform both the UK and Scottish Governments as well as the Partnership on progress and lessons learned as a result of the Tay Cities Region Deal funding. Learning from these reports can be used to inform decisions going forward, such as future funding, that will improve benefit outcomes in the subject project and related projects for the region.

Method: Evaluation reports will be in line with the Magenta Book. This method of evaluation is a tried and tested approach. Through best practice sharing with other Deals, it has been determined that this is a logical approach. The evaluation report will be proportionate to the Project. This guidance document has been produced for Projects to follow in developing their evaluation report. The following guidance has been developed to simplify the Magenta Book approach to provide all Programme, Fund and Project Owners with suitable guidance to undertake evaluation.

Engagement: It is recommended that each Project engage with the Thematic Boards through the presentation of a brief, so that the Thematic Board can advise and support, where necessary, to guide the scope of the evaluation report.

As Project owners complete an evaluation report, this will be shared with the Partnership and Governments for information.

Schedule of Evaluation: Using i) evaluation arrangements set out in a Project's approved business case and ii) Thematic Board recommendation, the PMO has outlined a schedule of evaluation reports for Projects in delivery. As Project's are approved and enter the implementation/delivery stage, they will be added to the schedule. The schedule will be informed by Thematic Board recommendations before approval by the Management Group.

Programme Evaluation

The above approach applies to the Programmes in the Deal. The differences are that the Programme and Fund evaluations will be asked for both an interim and completion evaluation report. This will be done through a coordination of projects within each Programme in delivery.

The Project evaluations will inform the Programme evaluation. The schedule will be informed by Thematic Board recommendations.

The Magenta Book Guidance

The Magenta Book provides comprehensive guidance on evaluation to inform Governments and the Partnership about a Deal Project. Here are the key points to consider when evaluating a project:

1. **Understanding Evaluation:**
    - **What:** Evaluation is the systematic process of assessing the effectiveness, efficiency, and impact of the Project.
    - **Why:** It helps inform decision-making, improve policy design, and enhance accountability, whilst demonstrating the benefits to the region and any lessons learned.
    - **When:** Evaluation should be integrated throughout the Project lifecycle, from design to implementation and review.

2. **Designing an Evaluation:**
    - **Incorporate Early:** Evaluation should be built into the project's design and delivery from the outset.
    - **Scoping:** Clearly define the evaluation's purpose, questions, and scope. It is recommended that this is done in collaboration with the relevant Thematic Board.
    - **Methods:** Consider various evaluation methods (quantitative, qualitative, realist evaluation, etc.) based on the context and objectives. There are options for the methods undertaken including Process Evaluation, Impact Evaluation, and Value for Money Evaluation.

3. **Managing the Evaluation:**
    - **Data Collection:** Collect relevant data using appropriate methods.
    - **Quality Assurance:** Ensure data quality and rigor.
    - **Stakeholder Engagement:** Involve relevant stakeholders throughout the process, if appropriate.
    - **Risk Management:** Address potential risks and challenges. This can be two things: 1) risk in evaluation methods in ensuring that they are reliable and 2) using evaluation itself to manage and understand the risks to a Programme/Fund/Project.

4. **Interpreting and Presenting Results:**
    - **Interpretation:** Understand the implications of findings.
    - **Presentation:** Clearly communicate results to decision-makers and stakeholders. There are modes of communication that could be used e.g. report summary, newsletters, infographics, videos and presentations.
    - **Dissemination:** Share evaluation findings effectively. For the Tay Cities Region Deal, the Evaluation Reports will be shared with the PMO within the agreed timescales, before being shared with the Partnership and Governments for information.
    - **Proportionality:** Not all interventions will require the same level of scrutiny or have the same learning needs. Evaluation reports should be proportionate to the scale of the Project. For the Tay Cities Region Deal, the Project should consider this as part of their scope when working collaboratively on their evaluation brief with the Thematic Board.

For detailed guidance, refer to the **Magenta Book** and its supplementary resources

- [The Magenta Book - GOV.UK](#)
- [The Magenta Book: Central Government Guidance on evaluation](#)
- [Magenta Book – HM Treasury guidance on evaluation for Central ... - MandE](#)
- [The magenta book: Guidance for evaluation | Better Evaluation](#)

Process Evaluation

What is process evaluation? Process evaluation is used to assess how well a Programme/Fund/Project has been implemented. It focuses on understanding the planning process, the decisions made, and the activities undertaken during Programme/Fund/Project development and operation. It helps assess how well a Programme/Fund/Project is being implemented and provides insights for improvement.

The following sets out the process to follow to conduct a **process evaluation**.

1. **Clarify Program Objectives and Goals:**
   - Clearly define the purpose and intended outcomes of your Programme/Fund/Project.
   - Understand what you aim to achieve and how it aligns with broader goals.

2. **Develop Evaluation Questions:**
   - Identify specific questions related to the implementation and processes for the Programme/Fund/Project.
   - Consider aspects such as commitments, participant engagement, and adherence to the work plan, including timescales.
   - Types of questions to consider are at Annex 1.

3. **Select Evaluation Methods:**
   - Choose appropriate methods for data collection. Common methods include surveys, interviews, observations, and document analysis.
   - Ensure that the selected methods align with your evaluation questions.

4. **Set Up a Timeline for Evaluation Activities:**
   - Establish a schedule for data collection, analysis, and reporting.
   - Regularly monitor the Programme/Fund/Project throughout its duration. This will be in addition to the annual benefits reporting required.

For more detailed guidance, please see the following sources:
- [Section 5. Developing an Evaluation Plan - Community Tool Box](#)
- [Step 07. Process Evaluation | Getting to Outcomes® | RAND](#)
- [What are the 5 Stages of an Evaluation Process?](#)
- [Project Evaluation Process: Definition, Methods & Steps - ProjectManager](#)

Impact Evaluation

What is impact evaluation? An impact evaluation assesses the long-term effects of a Programme/Fund/Project on its intended beneficiaries. It goes beyond merely describing or measuring impacts that have occurred; instead, it seeks to understand the role of the Programme/Fund/Project in producing these effects. Impact evaluation provides valuable insights into whether a project truly works and contributes to evidence-based decision-making.

The following sets out the process to follow to conduct an **impact evaluatio**n.

1. **Theory of Change (ToC)/Logic Model:**
    -   Programmes/Fund/Projects should have developed a Theory of Change (ToC) that depicts the program logic as part of the approved business case. A ToC illustrates how inputs lead to outputs, intermediate outcomes, and final intended impacts. It is recommended that this is refined based on evidence during implementation and monitoring.

2. **Evaluation Questions and Indicators:**
    -   Define clear and answerable evaluation questions based on the ToC. The main question focuses on the impact of the Programme/Fund/Project. Break it down into subsidiary questions. Define relevant indicators to measure the impacts.
    -   Types of questions to consider are at Annex 1.

3. **Data Collection:**
    -   Collect data on impacts using appropriate methods (surveys, interviews, etc.). Ensure data quality and rigor.
    -   Consider both primary data (collected directly) and secondary data (existing sources).

4. **Explaining Impacts:**
    -   Analyse the data to understand the causal relationship between the project and outcomes. Use statistical methods to assess impact.
    -   Consider counterfactuals (what would have happened without the project) to attribute changes to the Programme/Fund/Project.

5. **Findings:**
    -   Summarise the impact evaluation results. Highlight significant findings and patterns.
    -   Consider both positive and negative impacts.

6. **Reporting:**
    -   Prepare a comprehensive report that communicates the evaluation findings to stakeholders. This should also cover lessons learned.

For more detailed guidance, please see the following sources:
-   [Designing an impact evaluation in six steps | Independent Evaluation ...](#)
-   [Impact evaluation | Better Evaluation](#)
-   [Overview of impact evaluation | Better Evaluation](#)
-   [What Is Impact Evaluation? (Benefits, Types, and Planning Tips)](#)
-   [Designing an impact evaluation work plan: a step-by-step guide](#)

Value for Money Evaluation

What is value for money evaluation? Value for Money (VfM) evaluation is a systematic process to understand whether an investment for a Programme/Fund/Project (money, time and/or other resources) represents good value.

The following sets out the process to follow to conduct value for **money evaluation**.

1. **Develop a Theory of Change (ToC)/Logic Model:**
   - Programmes/Fund/Projects should have developed a Theory of Change (ToC) that depicts the program logic as part of the approved business case. A ToC illustrates how inputs lead to outputs, intermediate outcomes, and final intended impacts. It is recommended that this is refined based on evidence during implementation and monitoring.

2. **Identify Criteria:**
   - Define specific criteria for assessing value for money. Consider elements such as cost-effectiveness and efficiency.
   - Agree on standards of performance (rubrics) to evaluate against these criteria.
   - Types of questions to consider are at Annex 1.

3. **Evidence Needed:**
   - Determine the data and evidence required to assess VfM. This includes both quantitative and qualitative information. VfM evaluations work best in tandem with positive social impacts instead of intwined so this should be considered.
   - Collect relevant data through appropriate methods (e.g., surveys, interviews, document analysis).
   - Ensure data quality and rigor during the collection process.

4. **Analyse Evidence:**
   - Analyse the data to understand the relationship between costs, outputs, and outcomes.
   - Use statistical methods to assess cost-effectiveness and efficiency.

5. **Findings:**
   - Summarise the evidence and make informed judgments about whether the activity provides value for money.

6. **Reporting:**
   - Prepare a comprehensive report that communicates the VfM evaluation results to stakeholders.
   - Highlight key findings, recommendations, and areas for improvement.

For more detailed guidance, please see the following sources:

- <u>Evaluation methods for assessing Value for Money</u>
- <u>OPM's approach to assessing value for money | Better Evaluation</u>
- <u>Value for Money Evaluation</u>
- <u>Evaluation methods for assessing Value for Money - BEAM Exchange</u>

Process Evaluation questions: What can be learned from how the Programme/Fund/Project was delivered?	Impact evaluation questions: What difference did the Programme/Fund/Project make?	Value for Money evaluation questions: Was this a good use of resources?
- Was the Programme/Fund/Project delivered as intended? - Were there enough resources? - Were there any unexpected or unintended issues in the delivery of the Programme/Fund/Project? - To what extent has the Programme/Fund/Project reached all the people that it was intended to? - What worked well, or less well, for whom and why? - What could be improved? - What can be learned from the delivery methods used? - Could the Programme/Fund/Project have been procured and delivered for less cost? - How has the context influenced delivery? - How did external factors influence the delivery and functioning of Programmes/Funds/Projects? - How did external factors influence the attitudes and behaviours of targeted groups?	- Did the Programme/Fund/Project achieve the expected outcomes? - To what extent? - Did the Programme/Fund/Project cause the difference? - To what extend can the outcomes be attributed to the Programme/Fund/Project? How confident can we be that the Programme/Fund/Project caused the observed changes? - What causal factors resulted in the observed impacts? - How much can be attributed to external factors? - What would have happened without this intervention? - How has the context identified and influenced relevant outcomes/factors? - To what extent have different intended target groups been impacted in different ways, how and why? - Can the Programme/Fund/Project be reproduced?	- How cost-effective was the Programme/Fund/Project? - Cost per unit (outcome, participant etc.) - What were the costs of delivering the Programme/Fund/Project? - Has the Programme/Fund/Project been cost-effective (compared to alternatives and compared to doing nothing)? - What is the most cost-effective option? - What was the value for money of the Programme/Fund/Project? - What are the benefits and did the project achieve the benefits outlined in the approved business case? - What are the costs? - What may have happened without this intervention?

Future learning: the different types of evaluation can together help answer questions about future learning:
- Are the Programme/Fund/Project goal's relevant, in different contexts?
- Can the policy be expected to work in other contexts?
- Is the Programme/Fund/Project sustainable from financial, economic, social and environmental perspectives?
- What has been learned about how to intervene in this Programme/Fund/Project space that can be transferred to other initiatives and future appraisals?
- What opportunities are there for benefit maximisation and disbenefit mitigation for this or other projects going forward?
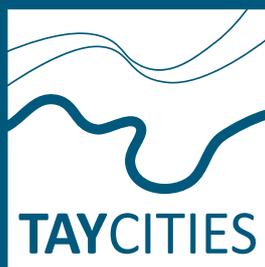
Further Information

Tay Cities Region Deal website **www.taycities.co.uk**

Tay Cities Publications, including the Deal Document and regional strategies/plans **www.taycities.co.uk/publications**

Tay Cities Joint Committee Papers **www.taycities.co.uk/joint-committee**

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