

City Chambers  
DUNDEE  
DD1 3BY

12th June, 2026

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, 19th June, 2026 at 10:00am, to be held as a hybrid meeting at Angus Council Chamber, Town and County Hall, Forfar and also 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](mailto: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](mailto:veronica.thomson@dundeecity.gov.uk) by **12 noon on 17th June, 2026.**

Yours faithfully

ROGER MENNIE

Clerk to the Joint Committee

- 1 **WELCOME, APOLOGIES AND SUBSTITUTIONS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **MINUTE OF MEETING OF 20TH MARCH, 2026 - Page 1**

(Copy enclosed).

**PART 1: REGIONAL COLLABORATION**

- 4 **LOCAL GROWTH FUND - Page 5**

(Report No TCRJC04-2026 by Jill Paterson, Angus Council, on behalf of the Heads of Economic Development Group).

**5 MONTROSE PORT SKILLS ACADEMY (SCOTTISH GOVERNMENT SIDE PACKAGE) FBC  
- Page 24**

(Report No TCRJC05-2026, introduced by Graeme Dailly, Angus Council and presented by Mark Davidson, Angus Council).

**PART 2: THE DEAL**

**6 REGIONAL CULTURE & TOURISM INVESTMENT PROGRAMME OBC REFRESH - Page 32**

(Report No TCRJC06-2026, introduced by Robin Presswood, Dundee City Council and presented by Ross MacKenzie, Dundee City Council).

**7 TCRD RESHAPING RECOMMENDATIONS FOR GOVERNMENTS - Page 40**

(Report No TCRJC07-2026, presented by Graeme Dailly, Angus Council).

**8 PROGRAMME OF MEETINGS 2026**

Friday, 18th September, 2026, to be held remotely  
Friday, 11th December, 2026, to be held remotely

**9 AOCB**

**10 DATE OF NEXT MEETING**

Friday, 18th September, 2026, to be held remotely.

**ITEM No ...3.....**

At a MEETING of the **TAY CITIES REGION JOINT COMMITTEE** held remotely on Friday, 20th March, 2026.

Present:-

Angus Council

Councillor Bill DUFF  
Councillor George MEECHAN  
Councillor Jill SCOTT

Dundee City Council

Councillor Georgia CRUICKSHANK  
Councillor Mark FLYNN  
Councillor Steven ROME

Fife Council

Councillor Alicia HAYES  
Councillor David ROSS

Perth & Kinross Council

Councillor Eric DRYSDALE  
Councillor John DUFF

Non-Elected Members

Matt LOCKLEY, Scottish Enterprise  
Ronnie PALIN, Skills Development Scotland  
Councillor Andrew PARROTT, Tactran  
Nigel SEATON, HE/FE Forum Chair

Also Present

Graeme DAILLY, Angus Council  
Jill PATERSON, Angus Council  
Serge MERONE, Perth and Kinross Council  
Simon HEWITT, Dundee and Angus College  
Steve BELL, Dundee City Council  
Roger MENNIE, Dundee City Council  
Robin PRESSWOOD, Dundee City Council  
Paul THOMSON, Dundee City Council  
Carlene SIMPSON, Fife Council  
Colin CAMPBELL, James Hutton Institute  
Mark SPEED, Tactran  
Derek WATSON, University of St Andrews

Mo SAUNDERS, PMO Programme Manager  
Clare SLATER, PMO Project Manager  
Lauren HOLLAS, PMO Project Manager  
Hannah HUTCHISON, PMO Project Officer

Councillor George MEECHAN, in the Chair

**I APOLOGIES**

Apologies had been intimated from Councillor Jonny Tepp, Councillor Jack Welch, Alison Henderson and Hayley Mearns who are voting members, and Greg Colgan, Carol Connolly and Ken Gourlay.

## **II DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **III MINUTE OF MEETING OF 12TH DECEMBER, 2025**

The minute of meeting of 12th December, 2025 was submitted and approved.

## **PART 1: REGIONAL COLLABORATION**

### **IV UPDATE ON UK GOVERNMENT LOCAL GROWTH FUND AND SCOTTISH GOVERNMENT REGIONAL PARTNERSHIPS ARRANGEMENTS**

There was submitted Report No TCRJC 01-2026 introduced by Jill Paterson, Service Leader, Planning & Sustainable Growth, Angus Council on behalf of the Tay Cities Region Heads of Economic Development Group providing an update on the UK Government Local Growth Fund and Scottish Government activity in relation to Regional Partnerships.

Following discussion, it was agreed that Jill would revert back to Members regarding the number of jobs lost, including indirect jobs, as a result of the Shared Prosperity Funding (SPF) stopping. It was also agreed that Jill would provide an update at the next Joint Committee meeting about the approach to be taken for a post to drive forward the Local Growth Funding agenda.

The Joint Committee agreed:

- (i) to consider and note the position and timescales in relation to the UK Government Local Growth Fund and that the required Investment Plan would be reported to a future meeting of the Joint Committee:
- (ii) to consider and note current activity and the approach from Scottish Government to Regional Partnerships; and
- (iii) to agree the scope of the use of capacity funding towards additional resource to explore potential powers and responsibilities for the Tay Cities area as submitted to the Scottish Government in the Expression of Interest.

Due to the challenging nature of the SPF ending, and timescales for the Local Growth Fund, the Joint Committee noted that the Chair would write to the UK Government on behalf of the Joint Committee.

## **PART 2: TAY CITIES REGION DEAL**

### **V PMO UPDATE AND RESHAPING THE TAY CITIES REGION DEAL**

A presentation by Paul Thomson, TCD S95 Officer and PMO Programme Manager, Mo Saunders, was given to the Joint Committee outlining the current position with regards to the Tay Cities Region Deal. A copy of the presentation had been issued previously.

In relation to the existing Deal Programme, Panel meetings were held in November 2025 and the Panel identified a number of actions for some of the Fund, Programme and Project Assurances which were to be fully addressed no later than 28th February 2026. It was noted that a review of all the Assurances was being undertaken in March 2026. Where actions had not been fully addressed the Fund/ Programme/Project would be confirmed as not having provided sufficient Assurance and would be deemed that it could not proceed and the funding would be reallocated as part of the New Projects (Strand 2) work.

An open call for Projects was made in December 2025. All Projects would be required to complete a Strategic Outline Case (SOC) (by 13th March) and demonstrate deliverability, regional economic investment impact and how they align with the Regional Economic Strategy and Prospectus. An assessment of the SOC submissions would be carried out in April 2026. An update would be provided to the June Joint Committee meeting.

It was noted that the UK & Scottish Governments' Scottish City Region and Growth Deal Delivery Board engaged with each Deal at senior official level through the Annual Conversation which was informed by the Annual Performance Report and Annual Benefits Realisation Plan. The Tay Cities Region Deal fifth Annual Conversation was held on Thursday 12th March 2026 at Perth Museum.

The Partnership requested a Capital Programme for Year 6 of £4.144m which was a reduction of £25.139m from the original awarded tripartite profile allocation of £29.283m. It was estimated that there would be a capital underspend of £2.364m with no option to reallocate the funding. There was £0.939m of capital still to draw down in quarter 4. The Revenue Programme for Year 6 2025/26 was based on a request of £2.161m from Partners. This was a reduction of £351k from the original tripartite allocation awarded to the Partners of £2.512m. Based on the 2026 February forecast, there was no total underspend predicated. This was due to an additional revenue award of £307k for Dundee Airport Investment Project. There was £1.349m of revenue still to drawdown in quarter 4.

The Deal signed tripartite capital allocation for Year 7, 2026/27 was £29.658m. The Finance Directors and Management Group recommended the Partnership make a request to Scottish Government for a capital allocation of £3.93m. It was agreed that if a Project does not currently have an approved business case, they would not be given an allocation for 2026/27 apart from projects within the Regional Culture & Tourism Investment Programme. This was £25.728m lower than the current government awarded profile and the third year that the Partnership would be requesting a reduction in their 'ask' against their annual capital award.

The Deal signed tripartite revenue allocation for Year 7, 2026/27 was £2.339m. The recommendation from the Finance Directors and Management Groups was for the Partnership to make a request to Scottish Government for a revenue allocation of £3.92m. This was a £1.518m increase above the current government awarded profile. There would be a request to the Scottish Government for the 'ask' of an additional £1.518m in Year 7 but there was no guarantee that funding above £2.339m would be available.

There were no SOCs or Outline Business Cases (OBC) approved by the Management Group since the last Joint Committee meeting.

The Joint Committee noted the position.

## **VI ANNUAL PERFORMANCE REPORT AND BENEFITS REALISATION PLAN**

A presentation by Hannah Hutchison, PMO Project Officer was given to the Joint Committee on the Annual Performance Report and Benefits Realisation Plan Highlights. A copy of the presentation had been issued previously.

There was submitted Report No TCRJC 03-2026 by Hannah providing an update on the October 2024 – September 2025 Annual Performance Report (as at Appendix 1) & Benefits Realisation Plan update (as at Appendix 2), seeking approval of both documents.

The Joint Committee agreed:-

- (i) to consider the report; and
- (ii) to approve the updated Annual Performance Report and Benefits Realisation Plan for publication.

## **VII PROGRAMME OF MEETINGS 2026**

The Joint Committee noted the programme of meetings for 2026:-

Friday, 19th June, 2026 to be held in person (hybrid) at a venue to be confirmed  
 Friday, 18th September, 2026, to be held remotely  
 Friday, 11th December, 2026, to be held remotely.

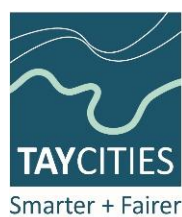
**VIII            AOCB**

The Joint Committee noted that there was no other business to be considered.

**IX                DATE OF NEXT MEETING**

Friday, 19th June, 2026 at 10.00am.

Councillor George Meechan, in the Chair.

**ITEM No ...4.....**

**REPORT TO: TAY CITIES REGION JOINT COMMITTEE**

**REPORT ON: UK GOVERNMENT LOCAL GROWTH FUND INVESTMENT PLAN**

**REPORT BY: JILL PATERSON, SERVICE LEADER PLANNING & SUSTAINABLE GROWTH, ANGUS COUNCIL**

**REPORT NO: TCRJC04-2026**

**1. PURPOSE OF REPORT**

- 1.1. This report seeks approval of the Tay Cities Region Local Growth Fund Investment Plan. This was submitted to UK Government by the deadline of the 29 May 2026, subject to consideration by the Joint Committee.

**2. RECOMMENDATIONS**

- 2.1. It is recommended that the Joint Committee:
- 2.2. Approve the Tay Cities Region Local Growth Fund Investment Plan, comprising the Narrative Commission (Appendix 1) and Commission Spreadsheets (Appendix 2), as submitted to UK Government.
- 2.3. Delegate authority to the Tay Cities Region Management Group to agree the final detail of the programme of activity and financial allocations as set out in the Investment Plan and to oversee delivery of the programme.
- i. Note that an annual update report on delivery of the Local Growth Fund will be reported to this Committee in line with the UK Government reporting schedules.
- ii. Note that any material changes to the Investment Plan will be reported to a future meeting of the Joint Committee.

**3. BACKGROUND**

- 3.1 At the June 2025 Spending Review the UK Government confirmed that the UK Shared Prosperity Fund (UKSPF) would not continue beyond the 2025-26 transition year. The UK Government Budget of 26 November 2025 subsequently announced its replacement with the Local Growth Fund, with details for delivery in Scotland published on 8 January 2026.
- 3.2 The Local Growth Fund aims to drive economic prosperity across Scotland. Five of Scotland's eight regions will receive an allocation over the next three years (2026/27

to 2028/29). The allocation for the Tay Cities region is £19.5 million to support projects that will deliver economic growth at a regional scale.

- 3.3 The funding splits for the Tay Cities area is set out in Table 1 below:

Table 1: TCRD Allocation

Tay Cities Region Allocation	2026/27	2027/28	2028/29	TOTAL
Revenue	£2.2M	£2.2M	£1.5M	£5.89M
Capital	£5.0M	£4.7M	3.8M	£13.58M
Total	£7.3M	£6.9M	5.3M	£19.48M

*Note: totals do not match due to rounding.*

- 3.4 As previously reported to Joint Committee, the transition from UKSPF to the Local Growth Fund reflects two key changes: the move from a local to regional model of funding and an increased focus on capital funding. The Joint Committee had requested details of the number of jobs lost, including indirect jobs, as a result of the cessation of the UKSPF. Whilst the impact on direct and indirect jobs supported across the Tay Cities Region was initially thought to be fairly significant this has been mitigated through changes to employability funding from Scottish Government and support through the Local Growth Fund programme which will provide additional potential opportunities. As a result, there are a small number of remaining impacts on jobs in the Tay Cities Region.
- 3.5 The Local Growth Fund (Scotland) supports the UK Government's Growth Mission to improve living standards for working people by investing in the Scottish regions that contain the areas with the lowest Real Disposable Household Income (RDHI) per capita. Funding is targeted at the five Regional Economic Partnership areas with the lowest living standards (RDHI per capita) in proportion to their population.
- 3.6 Disposable Household Income across the region varies and investment will support the Government's priority to address inequality by supporting those areas in need, creating jobs and improving access to skills and jobs at geographic and demographic levels.
- 3.7 The Local Growth Fund (Scotland) Prospectus was published on the 23 March 2026 and focuses on three interconnected themes:
- **Enabling Local Growth Infrastructure:** expanding labour market reach and enabling agglomeration benefits across functional economic areas.
  - **Support for Business:** strengthening regional clusters and increasing innovation and investment to drive firm-level competitiveness and sectoral growth.
  - **Skills and Employment Support:** providing the human capital aligned to priority sectors and emerging technologies.
- 3.8 Activities funded through the Local Growth Fund are required to align with regional economic strategies and the prospectus states that wherever possible activities should be managed, monitored and evaluated by shared regional resources. The prospectus does however provide some flexibility within the revenue funding in Year

One, financial year 2026/27, for the provision of interventions by individual local authorities to allow time to develop appropriate regional delivery structures.

#### 4. INVESTMENT PLAN

- 4.1 The Investment Plan submission to UK Government comprises the Narrative Commission (Appendix 1) and Commission Spreadsheets (Appendix 2).
- 4.2 The approach to the Local Growth Fund has been developed through the Tay Cities Region Heads of Economic Development group, supported by officers from the relevant local authorities. The approach builds on much of the work undertaken through the UKSPF and addresses gaps in the current funding landscape. The capital/revenue split has been challenging however there were a number of similar interventions across all four local authority areas which offered significant scope to scale up to regional activity. There are also clear benefits in this approach in terms of efficiencies to support activity and to better target support to business.
- 4.3 The Narrative Commission sets out the approach within the region to the Local Growth Fund, including governance, procurement, financial monitoring, and risk assessment. It also covers the approach to monitoring and evaluation. Pages 2 and 3 provide a description of the regional projects recommended for targeting of the Local Growth Fund across the Region. Details of these priorities are also included in the Appendix 3 Projects Narrative alongside the indicative funding allocation to each.
- 4.4 The Commission Spreadsheets include the following information:
- **3 Year Thematic Financial Forecast:** proposed capital/revenue split across the 3 themes and administrative costs.
  - **3 Year Outputs and Outcomes:** proposed outputs and outcomes for the region against the relevant indicators. These will be reported on as part of the bi-annual reporting.
  - **Indicative Year 1 Project Level:** project description and funding for Year 1 of the Fund.
- 4.5 The Investment Plan was submitted to UK Government by the 29 May 2026. The Ministry of Housing, Communities and Local Government (MHCLG) and the Scotland Office will review and sign-off on all Regional Partnership 3-year Local Growth Fund Investment Plans prior to the release of Year 1 funds and thereafter sign-off Annual Reports prior to the release of funding for subsequent financial years.
- 4.6 Regional Partnerships are required to demonstrate in their Investment Plans and Delivery Reports how the areas of the region that are below the Scottish national average RDHI per capita are benefitting from interventions. This will therefore be an important element in the assessment of funding through the relevant projects.

In taking this forward, the Tay Cities Region will ensure that investment decisions reflect the differing economic circumstances across the constituent local authority areas and assessment against the original aims of the programme. Assessment and prioritisation of project proposals will take cognisance of relative economic need, including variations in Real Disposable Household Income, alongside strategic fit, deliverability and their contribution to overall regional economic growth. This approach will ensure that investment decisions remain sensitive to local

economic contexts while supporting a coherent regional programme that contributes to improved living standards and inclusive growth across all areas.

## 5. GOVERNANCE

- 5.1 Dundee City Council will act as the Lead Local Authority (LLA) and Accountable Body for the region's Local Growth Fund. It will receive and manage the regional allocation, including day to day financial monitoring, compliance and programme reporting as well as overseeing individual project reporting. These responsibilities will be formalised by a Memorandum of Understanding between MHCLG and Dundee City Council.
- 5.2 Provision has been made within the Investment Plan for programme management costs, including a full-time officer post within the LLA role to oversee delivery, ensure compliance, complete reports, and support effective programme management at a regional level.
- 5.3 The programme requires six-monthly reporting to UK Government. Overall delivery will be overseen by the Tay Cities Region Heads of Economic Development with governance through the Tay Cities Region Management Group. An annual performance report, including outputs and outcomes, will be presented to Joint Committee.

## 6. CONSULTATIONS

Consultation has been undertaken with the Tay Cities Region Heads of Economic Development and Management Group.

Report author: Jill Paterson  
Title: Service Leader Planning and Sustainable Growth  
On behalf of the Tay Cities Heads of Economic Development  
Email address: patersonjf@angus.gov.uk

Date: 28 May 2026

**APPENDIX ...1...**

To secure the release of your LGF allocation for Year 1 (FY 2026/27), you are required to submit your 3-Year Investment Plan to the UK Government (Scotland Office and MHCLG) by **29th May 2026**.

Your Investment Plan submission should at minimum consist of a response to the Narrative Commission, the 3-Year Financial Forecast Spreadsheet, 3-year Outputs and Outcomes Indicators Forecast, and Indicative Year 1 Project-Level Information.

Scotland Office is available to support you throughout this development phase. Please do not hesitate to reach out if you have any questions regarding the Prospectus or this commission.

Scotland Office and MHCLG will together review your Investment Plan, prior to the release of Year 1 funding this summer.

<p><b>LGF Regional Investment Plan - summary for communications purposes (up to 100 words)</b></p>
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<p>The Tay Cities Region Local Growth Investment Plan sets out a coherent, region-wide programme aligned with UK Government priorities on economic growth, skills, business resilience and economic regeneration activity. Investment will support SMEs in key sectors (as identified in the Regional Economic Prospectus) such as digital/creative, life sciences, advanced manufacturing, and food and drink, strengthen employer engagement, and deliver targeted skills provision in priority sectors.</p>
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<p>Capital funding will enable the creation of new industrial business space.</p>
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<p>Delivery will begin in Year 1 with a pragmatic mix of local and regional activity, transitioning to a fully regional model by Years 2 and 3 to maximise impact, consistency and long-term regional benefit.</p>
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<p><b>Summary of economic priorities for the region - including key strengths/opportunities, challenges, and alignment to LGF objectives, UK Industrial Strategy, and relevant SG policies such as NSET, (up to c. 500 words)</b></p>
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<p>The Tay Cities Regional Economic Prospectus sets out a refreshed, place-based approach to delivering inclusive, sustainable economic growth across Angus, Dundee City, North East Fife and Perth and Kinross between 2025 and 2035. Its primary purpose is to maximise the long-term impact of strategic funding, such as the Tay Cities Region Deal and Local Growth Fund, while positioning the region to secure future investment and align with Scottish and UK Government economic objectives – such as UK Industrial Strategy.</p>
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<p>The Prospectus reaffirms the vision of the Tay Cities Regional Economic Strategy 2019–2039: to become one of Europe’s most attractive regions to live, work, invest and visit, while tackling persistent challenges of low productivity, below average wages and economic exclusion. Despite strong assets in research, innovation, culture and our business base, the region</p>
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continues to underperform on key indicators such as earnings, productivity and economic activity, highlighting the need for a more focused growth strategy.

At the heart of the Prospectus are four Priority Opportunity Themes for growth:

1. Clean Growth for Smarter and Sustainable Places, focused on net zero, digital technologies, smart infrastructure and the circular economy.
2. Life Sciences, Health and Agri-tech, building on world-class research institutions and strong agricultural and food systems.
3. Tourism and Culture, leveraging the River Tay, coastal and rural landscapes, heritage, and major cultural investments to deliver sustainable visitor growth.
4. Creative, Digital, Cyber and Games Economy, capitalising on the region's international reputation in digital and gaming and extending innovation across the wider area.

These are supported by three critical enablers: **Skills and Talent**, addressing labour market constraints, demographic change and inclusive workforce development; **Connectivity (digital and physical)**, improving transport, digital infrastructure and access to opportunity across urban and rural areas; and **Business Engagement and Support**, delivering tailored and targeted business support programmes that align with key sectors, opportunities and challenges.

The Prospectus highlights significant benefits already arising from the Tay Cities Region Deal and other investment, forecasting thousands of jobs, substantial public investment and strong private-sector leverage across life sciences, clean growth, skills, connectivity and the visitor economy.

A core theme is the need to re-energise private sector engagement, through dedicated resource and tailored business support programmes and skills and talent, whilst strengthening collaboration with academia, national agencies and communities.

The Local Growth Fund aligns with one of the key asks of the Prospectus, and our region, notably the need for long-term, multi-year, place-based funding, enhanced regional delivery capacity and closer alignment between national industrial strategies and regional strengths.

Our economy will be fully inclusive – and one where disadvantage, poverty and inequality are tackled through provision of and access to economic opportunity. The region is renowned for its public, private, third sector and academic collaboration, using strategic investment in **Skills and Talent, Business Support and Connectivity (digital and physical)** as key enablers for achieving this.

Disposable Household Income across the region varies and investment will support the need to address inequality by addressing those areas in need, improving access to skills and jobs at geographic and demographic levels.

#### **Descriptive summary of what LGF will be used for in the region.**

**This should explain any transition from locally delivered activity in year 1, to regionally delivered activities in year 2 and 3. (up to c.750 words)**

The Tay Cities Region Local Growth Fund allocation will deliver a balanced and coherent programme of investment across the three priority themes identified by UK Government: economic growth, business resilience, skills development and place-based regeneration. The programme is designed to deliver both early, tangible impact and longer-term, scalable regional benefit.

While Dundee, Angus, Perth & Kinross Councils intend to deliver activity on a fully regional basis from Year 1, Fife Council has identified a need to have a flexible approach Year 1 however this would be fully aligned with the regional projects proposed. This reflects North-East Fife not being part of previous Tayside (but part of the Tay Cities Region Deal area) delivery for programmes such as Business Gateway, with a need to integrate, existing delivery commitments, and the requirement to align new activity with established local systems and contractual arrangements. This approach enables immediate mobilisation of funding, avoids delay, and supports effective use of capacity in the first year of the programme.

To ensure coherence across the Deal area, delivery will follow a phased transition model, with some flexibility around the proposed regional delivery in Year 1 to a fully regional programme in Years 2 and 3. This ensures that any initial local delivery contributes directly to the development of regionally consistent models, shared learning, and robust delivery mechanisms that maximise long-term regional impact.

### **Years 1 - 3: Programme Management**

Management costs will include the employment of one Programme Support Officer who will work with partners to ensure compliant delivery and reporting and additional costs incurred by the Lead Accountable Body (Dundee City Council) in managing the programme e.g. Finance, Project Management, Legal. Specific projects e.g. business grants, may need dedicated resources to support delivery.

### **Year 1 - 3: Local Delivery and transition to Regionally Delivered Activity and Programme Establishment**

Across Years 1 to 3, revenue investment will focus on the following regionally agreed priorities:

- **Business support and productivity:** Targeted advice, specialist support and capital or revenue grants will be provided to SMEs across the region, particularly those looking to scale/grow or operating within priority sectors such as tourism, advanced manufacturing, creative industries, and food and drink. Support will enable businesses to invest, scale and improve productivity. This could include financial and non-financial support, expert help and a programme of events.
- **Targeted tourism and visitor economy activity:** will be delivered through resource to support the work of the regional tourism partnership, building on work previously supported through UKSPF, alongside revenue funding to strengthen engagement with the travel trade market in response to clearly identified regional needs.
- **Employer Engagement:** a project with dedicated staff resource to strengthen links between employers, skills providers and employability programmes. This will improve recruitment pipelines by identifying vacancies and supporting employers to fill them, supporting workforce upskilling and ensuring that employability provision aligns with real employer demand across the region.
- **Skills Support – focus on**
  - **Intermediate Level Skills:** Building on existing regional provision, activity will focus on intermediate-level skills development in priority sectors including digital, green skills and advanced manufacturing. Local authority partners will work collectively with training providers and employers to design and deliver targeted courses. Support may include employer-linked grants of up to £5,000, training provision for individuals in work, and step-in support for those seeking to enter employment.
  - **Support to Employers/Employees/Employability Clients:** funding will also be available to support employers to upskill/reskill staff to meet identified business

needs (growth related) and employees and those seeking work to access training programmes (Skills Passport) by offering grants to purchase training.

- **Apprenticeship “Earn to Learn” Programme:** offering up to thirty 12-18 month apprenticeship opportunities (cost is £18-24K per person per annum) in local authorities to disadvantaged people across the region, building on an existing pilot programmes. Apprenticeships enable the development of skills aligned with regional economic opportunities, addressing skills gaps, injecting £1.2M into the local economy and supporting sustainable career development.

### **Years 1 - 3 Capital Investment**

- **Industrial Investment:** providing investment, to create new small-scale industrial infrastructure and serviced employment land that meets net zero targets and is focussed on space for innovation-based businesses. Investment will take place in key areas across the region aligned to need. There is scope to upscale this project to enhance the innovation element of the capital works should additional match funding become available.
- **Business Grants:** providing financial support to businesses looking to scale/enhance productivity and grow across the region. Grants will focus on improving premises to support growth and productivity, the installation of net zero/low carbon technologies and energy efficiency measures and the purchase of capital equipment.

### **Years 2 and 3: New Activity**

The activities outlined for Year 1 will continue in Years 2 and 3, with all local areas engaging with the process at a regional level. In years 2 and 3 an apprenticeship/earn to learn programme will be introduced across the region to support disadvantaged people to access paid apprenticeships within local authorities/public sector partners. This will build upon a programme being piloted in 2026/27 through alternate sources of funding.

### **Summary of delivery model including how projects will be selected and approach to procurement (up to c.500 words)**

The Tay Cities Region Local Growth Fund will be delivered through a collaborative, phased regional model, led by Dundee City Council as the Accountable Body, working in partnership with Angus Council, Perth & Kinross Council and Fife Council. The approach ensures early mobilisation, strong governance, and a transition to a fully integrated regional programme that maximises long-term economic impact.

Delivery will operate on a phased basis. In Year 1, activity will be delivered at a regional level across Dundee, Angus and Perth & Kinross, while Fife Council will initially deliver locally to reflect existing structures and contractual commitments. This approach enables immediate deployment of funding and supports effective use of capacity. From Year 2 onwards, all partners will transition to a fully regional delivery model, with shared systems, consistent processes and collaborative governance.

A Programme Management structure will oversee delivery, including a Programme Support Officer and central support from the Accountable Body covering finance, legal, procurement and reporting. This will ensure compliance with UK Government requirements and effective performance monitoring. Individual projects and programmes (e.g. grant schemes) may include dedicated delivery resource where required.

### **Project Selection**

Projects will be selected through a mix of strategic commissioning and targeted calls aligned to agreed priorities: business support and productivity, employer engagement, , intermediate skills, and place-based investment.

Selection will be governed through a transparent application and appraisal process, including:

- Eligibility criteria aligned to Fund objectives
- Assessment of strategic fit, deliverability, value for money and impact
- Consideration of additionality and alignment with existing provision e.g. Region Deal investments
- Appropriate approval routes through established governance structures – panel of officers from across all four local areas.

Competitive processes will be used where appropriate, alongside direct commissioning where this ensures efficiency, continuity and value.

### **Procurement Approach**

All procurement will comply with public sector regulations and local authority standing orders, ensuring transparency and value for money. A collaborative approach will be adopted where appropriate.

A mix of routes will be used, including:

- Open tender processes
- Framework agreements and dynamic purchasing systems
- Grant schemes administered in line with subsidy control requirements
- Commissioning of existing delivery partners where appropriate

The programme will actively support inclusive procurement practices, encouraging SME, third sector and social enterprise participation where appropriate. All procurement decisions will be proportionate, auditable and aligned with the overarching aim of delivering sustainable, inclusive economic growth across the Tay Cities Region.

Project opportunities will be identified through a range of sources, including internal teams, external partners, and open application processes. Clear guidance will be provided to applicants, outlining eligibility criteria, compliance requirements, and the application process to ensure consistency and accessibility.

Once opportunities are identified, a robust project selection framework will be applied. This will include defined criteria such as strategic alignment with local and national priorities, potential for innovation and improvement, financial value for money, risk considerations, resource availability, technical feasibility, and urgency. These criteria will ensure that all proposals are assessed on a fair and consistent basis.

Applicants will be required to submit structured information through a standardised application process. This will enable the collection of relevant data to support objective evaluation. Projects will then be assessed using appropriate selection methods, which may

include scoring models, cost-benefit analysis, and financial appraisal techniques where relevant.

Following evaluation, projects will be compared and prioritised to ensure that the overall portfolio delivers maximum impact within available resources. This approach recognises that multiple projects may be supported, with decisions based on achieving the best balance of outcomes, value, and deliverability.

Final approval of projects will be undertaken by senior stakeholders, ensuring appropriate governance and oversight. This stage will include confirmation of budgets, allocation of resources, agreement of timelines, and alignment with wider programme objectives. Approved projects will then progress into delivery, with ongoing monitoring and performance management in place.

Procurement and commissioning approaches will be applied in line with organisational and regulatory requirements. Delivery may be undertaken directly or through commissioned partners, depending on the nature of the activity. Competitive processes will be used where appropriate to ensure fairness, transparency, and value for money. All activity will align with existing strategic frameworks and funding conditions, ensuring additionality and complementarity with other programmes.

Overall, this delivery model provides a clear, structured approach to selecting and delivering projects, ensuring that investment decisions are evidence-based, strategically aligned, and focused on achieving measurable outcomes.

**Explanation of if/how LGF will be used to support the development of regional capabilities/capacity - such as shared services, regional intelligence hubs etc. including how these will be sustainable beyond the end of the LGF (up to c. 500 words)**

There are no current proposals within the programme to directly fund the development of regional capabilities/capacity. Our approach is to ensure that the LGF remains fully focused on project delivery. However, we will keep this under review as working arrangements develop to target support where this could add value to existing structures and processes.

The approach to the LGF allows significant opportunity to develop and test working arrangements and explore the opportunity to target improved efficiency through a regional approach.

Staff resource through both the programme management and employer engagement roles will support this and work alongside Partners to develop a greater understanding of business needs across the Region.

By maintaining these functions outside the LGF, the Partnership ensures that regional capability is institutionalised rather than project-funded, enabling continuity, resilience, and long-term strategic alignment

**Summary of regional governance model / approach to decision making for LGF. (up to c. 500 words)**

The Local Growth Fund (LGF) will be delivered through the existing governance arrangements of the Tay Cities Regional Economic Partnership (REP).

Strategic and democratic oversight of the Local Growth Fund will be provided by the Tay Cities Joint Committee. The Joint Committee will operate at a strategic level and will be responsible for:

- receiving and scrutinising annual reports;
- providing strategic direction to ensure LGF activity aligns with agreed regional economic priorities.

Operational oversight of LGF will sit with the Management Group offering oversight and the Tay Cities Heads of Economic Development Group, which will act as the principal officer-level body for LGF governance.

The Heads of Economic Development Group will:

- oversee implementation of the approved Investment Plan
- agree project level interventions
- agree delivery models, appraisal frameworks and assessment criteria
- monitor programme-level performance, expenditure, outputs and outcomes
- manage programme-level risks, issues and dependencies, including escalation where necessary
- report regularly to the TCRD Management Group.

Dundee City Council will act as the Accountable Body for the Local Growth Fund. In this role, Dundee City Council will be responsible for:

- receipt and management of LGF funding
- financial control, monitoring and reporting, including maintenance of appropriate audit trails
- ensuring compliance with grant conditions, subsidy control requirements and assurance standards
- providing consolidated reports to regional governance bodies and the UK Government.

**Summary of approach to regional engagement - including details of what forums/groups are convened, membership, frequency etc. as well as how MPs/MSPs are engaged. (up to 500 words)**

Regional engagement is achieved through the existing governance structure (Joint Committee, Management Group, Heads of Economic Development, HE/FE Forum, and Enterprise Forum) providing overarching direction and accountability for regional priorities, bringing together senior representatives from local authorities, enterprise agencies, and higher and further education. This proposal is for Management Group and Heads of Economic Development to be the key drivers, with Dundee City Council as the Lead Accountable Body, of the regional governance and engagement approach. The Management Group typically meets, as a minimum, on a quarterly basis and is responsible for agreeing strategic investment priorities, overseeing performance and ensuring alignment with national and regional strategies. Heads of Economic Development regularly meet on a 4-6 week basis.

Thematic Boards support the governance structure above by providing expertise in specific areas (Skills, Culture and Tourism, Innovative & International, Digital, Transport). Thematic Boards have representation from members above plus the private sector and third sector.

Private sector engagement takes place via existing forums (DigiTay, Tay Cities Clean Growth, Tay Country and Life Sciences – Science Futures). Engagement is achieved via in person,

online meetings, emails / mailing lists and via their own websites. Local Authorities can also utilise their Economic Development departments for more localised and targeted business engagement. This will also be strengthened through the LGF with the appointment of dedicated employer engagement officers.

Elected representatives (MPs and MSPs) are engaged through periodic briefings, written updates and targeted meetings. Where appropriate, they are invited to attend launch events or site visits to support advocacy and visibility, while operational decision-making remains within the agreed governance framework.

### **Explanation of approach to fulfilling legal duties outlined in the prospectus and technical guidance.**

As the Lead Accountable Body, Dundee City Council will establish and maintain a comprehensive governance, financial management and assurance framework to ensure full compliance with the Programme requirements outlined in the LGF Prospectus, Technical Guidance and the Memorandum of Understanding with the UK Government.

Our approach will be based on three core principles:

1. Accountability for public funds
2. Robust governance and assurance
3. Transparent delivery against agreed objectives

The Local Growth Fund Programme will be delivered through existing, well-established Dundee City Council and Tay Cities Region Deal governance, financial and reporting arrangements, ensuring consistency, proportionality and efficiency in delivery.

#### **Governance and Accountability**

Dundee City Council has been formally designated as the Lead Accountable Body (LAB) for the Tay Cities Region Local Growth Fund Programme and is responsible for the management of LGF funding on behalf of the Tay Cities Regional Partnership. Clear and transparent governance arrangements will define the respective roles and responsibilities of the Accountable Body, the Regional Partnership and delivery organisations, ensuring that decision-making, accountability and escalation routes are transparent and auditable.

This will include a formal minute confirming Dundee City Council's (DCC) designation as the LAB for the Tay Cities Region and a scheme of designation setting out responsibilities, authorities and reporting arrangements. These governance structures will ensure delivery remains aligned to the approved Investment Plan and within the scope of the LGF Prospectus. DCC will also maintain oversight of version control and formal approval of updates to the Investment Plan.

#### **Grant Funding Agreements**

DCC will ensure that appropriate and legally robust grant funding agreements are in place with all delivery partners. These arrangements will clearly define the purpose of funding, approved activities, eligible and ineligible expenditure, expected outputs and outcomes, monitoring and reporting timelines, audit and inspection rights, clawback conditions, and compliance with subsidy control regulations.

### **Financial Management and Controls**

Local Growth fund resources will be managed through DCC's established and audited financial systems, with ring-fencing and separate cost codes to ensure a clear audit trail. Financial controls will include formal claim submission processes, verification of eligible expenditure prior to payment, and ongoing financial monitoring. DCC retains ultimate responsibility for ensuring that all expenditure is compliant, eligible and represents value for money.

### **Subsidy Control**

Recognition of need to address Subsidy Control Legislation. Where possible existing streamlined routes and schemes and processes will be utilised e.g. MFA, Local Growth, Arts & Culture, and SLAED Schemes, whilst also establishing a scheme to support the delivery of business grants/support.

### **Due Diligence/Fraud Checks**

Appropriate due diligence and fraud checks will be undertaken on all key delivery partners and on any organisations or businesses receiving funding. DCC will apply its existing due diligence processes, including those used for UKSPF and Community Regeneration Partnership funding. Other local authority partners will be expected to conduct equivalent checks within their own areas.

### **Investment Plan Compliance and Change Control**

Delivery will be aligned to the agreed three-year LGF Investment Plan. A formal change control process will manage any proposed variations to projects, funding allocations or delivery timescales, ensuring the material changes are subject to appropriate approval, and where required, agreement with the UK Government.

### **Monitoring, Reporting and Risk Management**

DCC will operate a proportionate but robust monitoring, performance and risk management framework. Delivery partners will submit regular progress and expenditure reports, enabling milestone tracking and performance management. Established assurance arrangements, including internal and external audit where appropriate, will support compliance, transparency and accountability.

### **Summary of Regional Partnership approach to monitoring and evaluation activity (up to c.500 words)**

Monitoring and evaluation will be the responsibility of the Tay Cities Heads of Economic Development Group, reporting regularly to the Management Group. Dundee City Council are the lead accountable body but will be supported by identified representatives in each of the 4 local authorities.

The objectives of monitoring and evaluation are to:

- Track progress against agreed outputs, outcomes and milestones.
- Assess the effectiveness and impact of LGF-funded interventions.
- Ensure compliance with funding conditions and assurance requirements.
- Generate evidence to inform future policy and investment decisions.

Project sponsors will provide agreed monitoring reports, covering financial performance, delivery milestones, outputs achieved, risk management and equalities considerations. Data quality checks will be undertaken to ensure consistency, accuracy and auditability.

At programme level, results will be aggregated to assess progress against LGF strategic objectives, supporting regular reporting to governance boards and funders.

Evaluation will be proportionate, tailored to the scale, cost and complexity of interventions. Three evaluation stages will be applied:

- Process evaluation to assess delivery effectiveness, governance and partnership working.
- Impact evaluation to examine outcomes and additionality.
- Value for money assessment, drawing on cost-benefit analysis and qualitative evidence

Independent evaluation will be commissioned for larger or strategically significant investments, ensuring credibility and objectivity.

Evaluation findings will be actively used to improve programme delivery. Lessons learned will be shared across partners, helping to refine project design, strengthen delivery models and inform future funding rounds. Where under-performance is identified, corrective actions will be agreed and monitored.

Clear roles and responsibilities will be established between funders, programme managers and project sponsors. The Monitoring and Evaluation Framework will align with national assurance guidance and local audit requirements, providing confidence that Local Growth Fund investment is delivering measurable, sustainable economic benefits.

### Summary of risks and mitigations for the delivery of LGF in the region

We will deliver a coherent, regionally coordinated Local Growth Fund programme under a strong Lead Accountable Body (LAB) model, combining centralised programme management with locally informed delivery across all four local authority areas. A single programme framework will be established to ensure consistency in governance, appraisal, financial control, and compliance with UK Government requirements, including Subsidy Control and Managing Public Money, while maintaining local engagement through place-based delivery and pipeline development. Investment will be targeted across business support, capital infrastructure, and skills provision, using robust appraisal and monitoring systems to ensure value for money, additionality, and delivery against agreed outputs and outcomes. Risks associated with multi-authority delivery will be mitigated through formal partnership agreements, clear accountability structures, standardised processes, and active performance management, ensuring the programme remains responsive, compliant, and focused on achieving sustainable economic growth across the region.

Risk	Mitigation	RAG
<b>Governance and Accountability:</b> <ul style="list-style-type: none"> <li>• Blurred accountability between Lead Authority and 4 local authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a clear scheme of delegation and governance framework which defines roles of LAB v Local Authorities. This could include</li> </ul>	

<ul style="list-style-type: none"> <li>• Risk of non-compliance with UK subsidy control, procurement</li> <li>• Potential for decision-making delays due to multiple governance layers</li> </ul>	<p>financial controls, approvals, claims, monitoring.</p> <ul style="list-style-type: none"> <li>• Minimise governance layers through delegated authority.</li> <li>• Formalise inter-authority agreements with clear responsibilities for delivery, liabilities and clawback.</li> <li>• Programme office supported by Project Officer and key areas across the LAB e.g. finance/legal</li> </ul>	
<p><b>Transition from Local to Regional Delivery:</b></p> <ul style="list-style-type: none"> <li>• Loss of local intelligence and relationships, impacting the pipeline of potential projects or grant applications</li> <li>• Uneven capacity and capability across local authorities</li> <li>• Conflict between local priorities v regional strategic objectives</li> <li>• Conflict between need and fair funding</li> <li>• Conflict as a result of local political structures</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain local delivery nodes/staff in each LA area</li> <li>• Develop a single regional investment plan with agreed outcomes</li> <li>• Focus on fair distribution of funding across the region whilst maintaining key priorities for growth and inclusion</li> <li>• Staff groups from across local authorities to provide support and learning</li> <li>• Ensure local politicians are aware of the funding requirements and priorities, transition to regional – through regular updates</li> </ul>	
<p><b>Project, Business, Employee Pipeline and Appraisal Approach</b></p> <ul style="list-style-type: none"> <li>• Inconsistent project pipeline across the region</li> <li>• Poor quality applications leading to delays or non-approval</li> <li>• Ensuring appropriate due diligence is done on each applicant</li> <li>• Number of applications requiring significant capacity to assess</li> </ul>	<ul style="list-style-type: none"> <li>• Engage partners across the region in identifying potential projects – not just relying on local authority officers</li> <li>• Ensure application process is clear and straight-forward, guidance produced</li> <li>• Clear assessment processes in place for applications – officers from across the region involved in assessment</li> <li>• Additional funding required to support LAB to deliver compliance checks</li> </ul>	
<p><b>Financial Management</b></p> <ul style="list-style-type: none"> <li>• Risk of underspend or defrayal, common in capital projects, particularly in Y1</li> <li>• LAB bears financial responsibility for delivery failures across the programme</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure partners are prepared for delivery model, paperwork in place for grant applications and awareness of projects</li> <li>• Strong governance in place to ensure partners deliver effectively.</li> </ul>	
<p><b>Business/Employer Support Grant Schemes</b></p> <ul style="list-style-type: none"> <li>• Risk of non-compliance with UK Subsidy Control regime</li> <li>• Risk of non-compliance with grant scheme requirements – ensuring projects meet growth requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Subsidy Control Schemes for each business grant programme</li> <li>• Standardise eligibility, due diligence, and application process</li> <li>• Introduce digital grant management systems with audit trails</li> </ul>	

<ul style="list-style-type: none"> <li>• Fraud/error in high-volume SME grant schemes</li> <li>• Difficulty evidencing additionality and impact</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct post-award monitoring and sample audits</li> <li>• Consider recruiting an officer to deliver/manage the grant programmes or work with a partner organisation to support each programme</li> <li>• Ensure grant schemes are targeted with clear overview of fundable activities</li> </ul>	
<p><b>Skills Programmes</b></p> <ul style="list-style-type: none"> <li>• Duplication of activity across local, regional and national provision</li> <li>• Ensuring outcomes are delivered and monitored</li> <li>• Not finding people to deliver</li> <li>• Not finding employers/people to engage</li> </ul>	<ul style="list-style-type: none"> <li>• Align with local/regional skills strategies</li> <li>• Engage regularly with providers</li> <li>• Focus on outcome based contracts</li> <li>• Use appropriate communication channels</li> <li>• Potential to work with delivery partners to support identification of businesses/individuals</li> </ul>	
<p><b>Monitoring, Evaluation &amp; Reporting</b></p> <ul style="list-style-type: none"> <li>• Failure to evidence impact and value for money</li> <li>• Reporting burden slowing delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Implement a single monitoring framework and system</li> <li>• Use the standardised outputs and outcomes defined by UK Government</li> <li>• Commission independent evaluation to run throughout the programme</li> </ul>	



APPENDIX ...3...
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## UK GOVERNMENT LOCAL GROWTH FUND - TAY CITIES REGION – PROPOSED INVESTMENT PLAN PROJECTS

The Tay Cities Region Local Growth Fund Investment Plan outlines how the region will prioritise and use its allocation of Local Growth Fund monies to drive economic growth. The UK Government has identified three priority areas, Enabling Local Growth Infrastructure, Support for Businesses and Skills and Employment Support. The Tay Cities Region Programme will deliver projects that address all three priorities. The aim of the programme is to address economic inequality, with a focus on addressing disparities based on Real Disposable Household Income across the country.

### Tay Cities Region Allocation

Capital	£ 13,585,706
Revenue	£ 5,897,415
Total	£ 19,483,121

### Management Costs

Resource	Revenue	Capital
Staff Resource	£ 175,000	£ -
Additional Costs	£ 145,000	£ -
Total	£ 320,000	£ -

- **Staff Resource:** 1 x FTE to oversee the delivery / reporting on the programme.
- **Additional Costs:** Lead authority support costs, S95 officer and finance requirements, procurement, subsidy control, legal support etc.

### Enabling Local Growth Infrastructure

Project	Revenue	Capital
Industrial Investment Programme	£ -	£ 10,000,000
Total	£ -	£ 10,000,000

- **Industrial Investment Programme:** Funding to support the servicing of land and/or construction of innovation business units across the Tay Cities Region area, aligned to areas of need.

### Support for Business

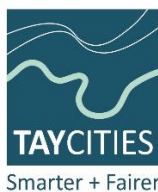
Project	Revenue	Capital
Business Support Grants & Programmes	£ 1,610,000	£ 3,585,706
Tourism Support (Regional Tourism Partnership)	£ 210,000	£ -
Visitor Economy (Travel Trade Support)	£ 240,000	£ -
Employer Engagement	£ 325,000	£ -
Total	£ 2,385,000	£ 3,585,706

- **Business Support Grants & Programmes:** Revenue support through business support for scale up including, expert help, digital boost, exporting, product development, supply chain development, and market development. Capital support for equipment to support business growth, innovation investment, and net zero measures.
- **Tourism Support:** Support to dedicated resource to continue the Tay Country regional tourism work.
- **Visitor Economy (Travel Trade):** Revenue grant support for visitor economy businesses to focus on growing markets.
- **Employer Engagement:** To support the appointment of 2 x FTE staff to undertake employer engagement across the area working closely with partners to identify business needs and link these with grant support.

### Skills & Employment Support

Project	Revenue	Capital
Apprenticeship Programme	£ 1,125,000	£ -
Intermediate Skills Support	£ 2,067,415	£ -
Total	£ 3,192,415	£ -

- **Apprenticeship Programme:** To target those from disadvantaged background to secure apprenticeships within local authority. Targeted support to 30 apprenticeships across the region.
- **Intermediate Skills Support:** Skills support to individuals and employers. This will support delivery of targeted programmes by training partners and support to employers seeking to reskill or upskill staff to meet growth. Support will also be available to individuals to access skills necessary to move onto or up the career ladder. Targeted at key sectors such as green skills, net zero, digital and creative sector, food & drink.



**REPORT TO: TAY CITIES REGION DEAL JOINT COMMITTEE**

**REPORT ON: MONTROSE PORT SKILLS ACADEMY (SIDE PACKAGE)**  
**FULL BUSINESS CASE**

**REPORT BY: GRAEME DAILLY, ANGUS COUNCIL**

**REPORT NO: TCRJC05-2026**

## **1. PURPOSE OF REPORT**

1.1. This report seeks approval of the Full Business Case (FBC) for the Montrose Port Skills Academy (MPSA), which forms parts of the Scottish Government Side Package Industrial Investment Programme funding.

## **2. RECOMMENDATIONS**

2.1. The Joint Committee is asked to:

- i. Consider this report and approve the Full Business Case (FBC) for the Montrose Port Skills Academy (MPSA).
- ii. Note that approval of the FBC is subject to Government approval.

## **3. INTRODUCTION**

3.1. The Full Business Case (FBC) was prepared to request £1.25 million from the Scottish Government Side Package Industrial Investment Programme (IIP) towards the establishment of MPSA. The investment will meet part of the capital costs required to establish a training facility on the ground floor of the Customs House, a grade 2 listed building acquired by Montrose Port in 2023.

3.2. The project has received approval of the Outline Business Case (OBC) and permission to move forward to FBC.

## **4. DESCRIPTION OF PROJECT**

4.1. The vision for MPSA involves the creation of a facility catering to the needs of the renewable energy industry. Its location at the heart of Montrose Port makes it different from similar initiatives as the facility will be easily accessible to the renewable energy businesses at the Port. The creation of a skills academy will also support Montrose Port as it seeks to become a cluster for renewable energy activity, including becoming a hub for the operations and maintenance of offshore wind farms. In this way, MPSA will support local economic development by increasing the number of local jobs

associated with renewable energy activity across Angus and the wider Tay Cities Region. An Executive Summary of the project is provided in Appendix 2.

- 4.2. MPSA draws on partnership work between Angus Council, Montrose Port Authority and Dundee and Angus College. Over the past two years, the three partners have worked in developing the project and built a strong working relationship. Since the OBC was approved, the partners have carried out additional work on scoping training provision at MPSA and defining key responsibilities with regards to the project's operation.
- 4.3. By providing training and skills associated with the energy transition, MPSA will support the development of the renewable energy sector. The generation of renewable energy, in turn, will contribute towards the electrification of economic activity and the decarbonisation of the Scottish economy. This is particularly important if Scotland is to become net-zero by 2045, a requirement set out within the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. The project's contribution to the energy transition is well aligned with the ethos of the Industrial Investment Programme and its focus on low carbon and green growth.
- 4.4. The aims for MPSA are to meet the following objectives:
- Objective 1: Support the attraction of a further seven offshore wind projects setting their O&M base at Montrose Port by 2035, in addition to the two projects already confirmed/operational;
  - Objective 2: Create at least 60 high-productivity long-term green jobs by 2035 to be performed by people living in Angus;
  - Objective 3: Increase annual take-up of renewable energy courses at Dundee and Angus College by 100 students;
  - Objective 4: Creation of at least ten long-term jobs in renewable energy through re-skilling and upskilling by 2035; and
  - Objective 5: Retention and attraction of at least 50 people to Angus by 2035.
- 4.5. In financial terms, £1.25m is being sought from Tay Cities Region Deal's Industrial Investment Programme to enable the creation of the MPSA.
- 4.6. Funding from the Tay Cities Region Deal will enable the establishment of MPSA thereby supporting the creation of a renewable energy cluster, based around Montrose. This will contribute towards the wider ambitions of Montrose Port in attracting economic activity to the region. At the same time, increasing the local availability of training opportunities creates an opportunity for expanding the local economic footprint of existing and future projects, bringing growth in productivity and salaries.

Since the OBC, Dundee and Angus College have engaged closely with industry to define equipment and training needs at the facility. This has resulted in the establishment of a good working relationship with turbine manufacturer Vestas, who have informed the development of a wind turbine technician curriculum (for which Dundee and Angus College have secured funding from the Scottish Government) and the definition of equipment requirements for the facility. Furthermore, Dundee and Angus College will collaborate with Montrose Port Authority to define the overall design of the

ground floor at Customs House. Plans involve the skills academy to offer a lecture area as well as a workshop space. The facility is also expected to embed flexibility for inhouse training specific to Operations and Maintenance teams based at the port for the use of spaces, which will contribute towards future-proofing its use.

## 5. FINANCIAL IMPLICATIONS

5.1. Total capital spending is estimated to reach approximately £8.0 million (of which £2.1 million have already been spent during FY 2023/24 and FY 2024/25). The expected capital funding contribution from the Tay Cities Deal is £1.25 million, £5.84 million to be provided by Montrose Port Authority and £0.9 million from other sources (e.g., renewable energy developers and turbine manufacturers).

5.2. In late 2024 the Port secured the building and necessary statutory consents. Refurbishment of the external fabric of the building is ongoing and will be completed by summer 2026. Following this, the construction of the ground floor will take place to enable training activity to start at MPSA, with works on the independent office elements on the upper floors commencing thereafter.

5.3. The release of funding is anticipated in 2026/27 and drawn down as follows:

26/27 – Q1	26/27 – Q2	26/27 – Q3	26/27 – Q4	Total
£0	£0.5m	£0.5m	£0.25m	£1.25m

## 6. IMPLEMENTATION PLAN

6.1. The outcomes and targets and risks have been highlighted, as shown in the FBC.

### Milestones

Deliverable	Timescale
FBC V1 submission	November 2024
FBC feedback and amendments	December 2024/January 2025
FBC V2 submission for approval by Scottish Government	March 2024
FBC approval from Management Committee	May/June 2025
FBC preparation	June 2025
FBC V1 submit to Scottish Government for approval	July 2025
FBC feedback and amendments	July / August 2025
FBC V2 Submission & Review	October 2025
FBC V2 submit to Management Group for approval	October 2025
FBC V2 submit to Joint Committee for approval	October 2025

FBC Approval	June 2026
Construction/Refurbishment Start	July 2024 / July 2026

### Outcomes and Targets

Output / Benefits
Objective 1: Support the attraction of a further seven offshore wind projects setting their O&M base at Montrose Port by 2035, in addition to the two projects already confirmed/operational;
Objective 2: Create at least 60 high-productivity long-term green jobs by 2035 to be performed by people living in Angus;
Objective 3: Increase annual take-up of renewable energy courses at Dundee and Angus College by 100 students;
Objective 4: Creation of at least ten long-term jobs in renewable energy through re-skilling and upskilling by 2035; and
Objective 5: Retention and attraction of at least 50 people to Angus by 2035.

### Key Project Risks and Mitigations

Risk	Mitigation
<b>Project Development</b> <ul style="list-style-type: none"> <li>Lack of effective engagement with industry stakeholders</li> <li>Project intelligence is not accurate</li> </ul>	<b>Project Development</b> <ul style="list-style-type: none"> <li>Early engagement and consultations with businesses around their needs</li> <li>Commissioning of a scoping analysis and continuous engagement with industry</li> </ul>
<b>Project Implementation</b> <ul style="list-style-type: none"> <li>Funding allocated is not spent</li> <li>Lack of demand/appetite from skills providers</li> <li>Construction of physical assets is not completed on time, to budget and to specification</li> </ul>	<b>Project Implementation</b> <ul style="list-style-type: none"> <li>Remaining budget to be allocated to other Tay Cities Deal project</li> <li>Tailor the building to Dundee and Angus College's requirements, generate early interest and proceed with initial phases to showcase potential</li> <li>Appointment of an Employer's Agent to monitor construction works</li> </ul>
<b>Project Operation</b> <ul style="list-style-type: none"> <li>Slow start due to timelines associated with ScotWind</li> <li>Delays in consenting process for offshore wind projects</li> <li>Facility remains unoccupied and operational costs need to be met</li> <li>Reputational risk from facility not delivering according to expectations</li> </ul>	<b>Project Operation</b> <ul style="list-style-type: none"> <li>Demonstrate commitment publicly, showcase port's capacity, engage with businesses, and retain flexibility</li> <li>Engagement with key stakeholders and Government</li> <li>Early engagement with industry and marketing</li> <li>Continuous engagement with industry and marketing of the initiative</li> </ul>

## 7. DECISION PATHWAY

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

<b>Decision pathway milestones and planned timeline</b>			
<b>Stage</b>	<b>Milestone</b>	<b>Planned date</b>	<b>Date achieved</b>
<b>OBC</b>	OBC V1 submission	November 2024	November 2024
	OBC V2 submission for approval by Scottish Government	March 2025	March 2025
	Scottish Government approval	May 2025	May 2025
	Presentation at Management Group	July 2025	
<b>FBC</b>	Submission of FBC (to PMO who forward to Government)	October 2025	November 2025
	FBC V3 submission for approval by Scottish Government		March 2026
	Government approval	October 2025	May 2026 - pending
	Thematic Board recommendation	October 2025	May 2026
	Management Group recommendation	November 2025	May 2026
	Joint Committee informed	December 2025	June 2026 - pending

7.2. As agreed by the Scottish Government, the full Industrial Investment Programme Business Case will be updated in due course by the Programme Manager to reflect the MPSA Business Case and following clarity on the scope and timing of the other project to be supported under the Programme i.e. Two Sisters project, Coupar Angus.

## 8. CONDITIONS

8.1. The approval of the FBC is subject to Government approval.

8.2. At OBC stage, agreement was made to move the subsidy control element to the FBC. Angus Council have prepared a Subsidy Control Statement along with the submission of the FBC to the Scottish Government. As this is a Side Package project, the Accountable Body does not review the subsidy risk or issue the legal agreement.

## 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.

## 10. CONSULTATIONS

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

Local Authority Project Management Officer: Mark Davidson  
Responsible Finance Officer: Ian Lorimer  
Management Group Sponsor: Graeme Dailly

Tay Cities Deal Industrial Investment Programme Manager: Jamie Bell,  
Scottish Enterprise

Report author: Wilma Gordon Title: Economic Development Officer, Angus Council Email address: gordonw@angus.gov.uk Phone number: 07921 317 368	Date: 6 May 2026
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## APPENDIX 1

Project Information	
Project number	TCDSD
Project name	Montrose Port Skills Academy
Project owner	Angus Council
Project Finance Director	Ian Lorimer
Management Group Sponsor	Graeme Dailly
Award amount under TCD Side Package	£1.25m
Jobs: Target number of jobs to be created	60
Leverage to be achieved	£5.37m

**APPENDIX 2  
EXECUTIVE SUMMARY**

This report seeks approval for the Full Business Case (FBC) of the Montrose Port Skills Academy (MPSA), a key component of the Tay Cities Deal's Industrial Investment Programme. The MPSA aims to establish a vital training facility within the acquired Customs House building, strategically located at Montrose Port, to support the rapidly growing renewable energy sector, particularly offshore wind.

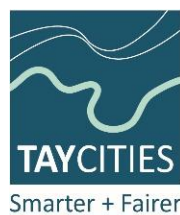
The project requests £1.25 million from the Tay Cities Deal to cover a portion of the capital costs. Total capital spending for the project is estimated at £8 million, with £2.1 million already spent up to the end of FY2024/25. The Scottish Government has already approved the OBC, and the Thematic Board has recommended it.

MPSA is envisioned as a regional hub for renewable energy training, offering accessible programs to meet industry demands. This initiative will not only support Montrose Port's ambition to become a renewable energy cluster but also contribute significantly to local economic development by creating at least 60 high-productivity green jobs in Angus by 2035, increasing student enrolment in renewable energy courses at Dundee and Angus College by 100 annually, and re-skilling/upskilling at least 10 people for renewable energy jobs. The project aligns with Scotland's net-zero targets by 2045 and the Industrial Investment Programme's focus on low carbon and green growth.

The renewable energy industry will contribute significantly to the decarbonisation of Scotland. At the same time, it will provide a significant economic opportunity. To seize the economic benefits from the energy transition, ensuring there is a pipeline of skilled workers able to support the sector's development is key. Existing evidence from industry suggests there is a shortage of suitably qualified and skilled workers in the renewable industry. Lack of access to the right skills has a negative impact on the ability of areas across Scotland to retain activity from renewable energy projects locally.

Within this context, Angus Council, Montrose Port Authority and Dundee and Angus College are supporting the establishment of a skills academy fostering the development of the renewable sector within Angus. It is expected that this initiative will support the development of activity, especially offshore wind, at Montrose Port.

ITEM No ...6.....
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**REPORT TO:** TAY CITIES REGION JOINT COMMITTEE – 19<sup>TH</sup> JUNE 2026

**REPORT ON:** TCD021 REGIONAL CULTURE AND TOURISM INVESTMENT PROGRAMME - UPDATED PROGRAMME OUTLINE BUSINESS CASE

**REPORT BY:** ROBIN PRESSWOOD, DUNDEE CITY COUNCIL

**REPORT NO:** TCRJC07-2026

## 1. PURPOSE OF REPORT

- 1.1. This report seeks approval by the Tay Cities Region Deal Joint Committee for the updated Programme Outline Business Case (OBC) for the TCD021 Regional Culture and Tourism Investment Programme.

## 2. RECOMMENDATIONS

- 2.1. The Joint Committee is asked to:
  - i. Consider this report and the Programme OBC for the Regional Culture and Tourism Investment Programme TCD021, and,
  - ii. Approve the Programme OBC, noting that the Management Group approved recommendation to the Joint Committee on 28<sup>th</sup> May 2026.

## 3. BACKGROUND

- 3.1. The Regional Culture and Tourism Investment Programme was awarded up to £37m at Deal Signing. This included an investment of up to £10 million in Pitlochry Festival Theatre. The original Programme OBC was approved in June 2020. This update to the Programme OBC has been prepared to reflect progress to date achieved through the delivery of projects identified as early opportunities, to support the development and delivery of projects identified as “medium term” in the original Programme OBC and to provide a mechanism to manage any underspend within the Programme.
- 3.2. This Programme has seen completion of the Pitlochry Festival Theatre project. Hospitalfield and Discovery Point Transformed, identified as early opportunities in the original Programme, are in delivery and due to be completed in 2027/28.
- 3.3. This updated Programme OBC reconfirms commitment to HMS Unicorn Project Safe Haven which was identified as a medium term priority in the original Programme OBC but removes the overarching Tay Adventures Project. The

Arbroath Signal Tower and St Andrews Harbour Hub components of Tay Adventures are retained as individual projects. Subject to approval of this refreshed Regional Culture & Tourism Investment Programme Business Case, the business cases for Project Safe Haven, St Andrews Harbour Hub and Arbroath Signal Tower Museum will be reviewed by the Culture & Tourism Thematic Board prior to approval by Management Group and Joint Committee.

- 3.4. It is proposed that remaining funding will be distributed through a Culture & Tourism Investment Programme Challenge Fund that will build upon the principle established and approved in the original approved Programme OBC that decisions regarding project funding should be taken at regional level by the Programme with decisions approved through Tay Cities Region Deal Governance arrangements.

#### 4. COMMITMENTS

- 4.1. This programme is currently profiled to spend a total of £37m capital from the Tay Cities Region Deal funding, including the agreed £10m award for Pitlochry Festival Theatre. Funding drawn down to date and anticipated spend is profiled as outlined in the following table. (The forecast is per the OBC but may be subject to variation). The programme has a 50% match funding requirement and as such will lever in additional funding of at least £37m including Pitlochry Festival Theatre..

	£000										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Capital	1,183	1,756	7,842	2,697	1,028	600	1,653	8,894	7,000	4,347	37,000
Revenue											
Total	1,183	1,756	7,842	2,697	1,028	600	1,653	8,894	7,000	4,347	37,000

- 4.2. The summary of the main three commitments are highlighted below:

Commitment	At Deal Signing	Current	Variance
TCRD Funding	£37m	£27m	£10m – due to Pitlochry Festival Theatre named as a stand alone Project
Leverage Commitment	£37m	£27m	£10m – due to Pitlochry Festival Theatre named as a stand alone Project with a £10m leverage commitment
Jobs	320	320	00

- 4.3. The following other commitments have been identified as part of the business case including:

Targets	Baseline	Target Uplift	Date
320 new jobs	0	320	2035
£27m Match funding	0	£27m	2030
5% increase in international visitor stays	*	5%	2035
£5m increase in international visitor spend	*	£5m	2035

3% increase in domestic overnight visitor stays	*	3%	2035
£3m increase in domestic overnight visitor spend	*	£3m	2035

\*To be baselined against forthcoming Visit Britain and Visit Scotland official statistics.

## 5. MILESTONES, RISKS AND DEPENDENCIES

### 5.1.1. Milestones

Deliverable	Due Date	Status
Launch of Challenge Fund	June 2026	Pending
Management Group / Joint Committee approval of Challenge Fund projects	March 2027	Pending
Completion of St Andrews Harbour Hub and Arbroath Signal Tower Projects	March 2027	Pending
Completion of Discovery Point and Hospitalfield Projects	March 2028	Pending
Completion of HMS Unicorn Project Safe Haven Project	March 2030	Pending
Completion of Challenge Fund Projects	March 2030	Pending

### 5.1.2. Key Project Risks and Dependencies

Risk/Dependencies	Mitigation
The investments fail to deliver inclusive and sustainable growth.	The contribution that a project makes to delivery of accessibility and fair work will be assessment criteria. Each project's impact on the built and natural environment will also be assessed
Projects presented do not meet quality required. Projects presented do not make sufficiently strong strategic case. Projects presented fail to support programme objectives.	Provide clear strategic guidance. Each project business case will need to demonstrate evidence of strategic alignment and market demand. Clearly articulate required of project outcomes. To ensure projects deliver quality benefits, e.g. sustainable jobs, the Thematic Board will ensure project owners have opportunities to engage with other public/academic and commercial activities (e.g. skills programmes, supplier development, etc).
Projects presented do not secure enough match funding.	Projects that cannot evidence 50% match funding will not be supported through the Programme.
Projects are not sustainable and do not secure the additional capital/ revenue funding and wider support needed to fully exploit City Deal capital investment.	Projects will need to demonstrate long term commercial sustainability, and a demand pipeline, including plans for future capital investment, maintenance, operational delivery, further development etc.

Risk/Dependencies	Mitigation
Projects develop revenue models which have an ongoing requirement for grant funding or other public resources	Operating models to clearly identify any requirement for ongoing public finance and mitigations against increases.
Project costs increase beyond the funding available from the Deal and/or matched funding, resulting in project overspend.	All projects will be required to submit robust implementation plans, which will include contingency arrangements and effective risk management processes. If any overspends do occur, they will be the responsibility of project owners to address.

## 6. DECISION PATHWAY

- 6.1. 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
<b>Programme OBC</b>	Governments' approval	April 2026	21/04/26
	Thematic Board recommendation	March 2026	11/03/26
	Management Group approval	May 2026	28/05/26
	Joint Committee informed	June 2026	Pending

## 7. CONDITIONS

- 7.1. NONE.

## 8. POLICY IMPLICATIONS

- 8.1. 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.

## 9. CONSULTATIONS

- 9.1. The following have approved the presentation of this Programme OBC:

Local Authority Project Management Officer: Rory Young  
Responsible Finance Officer: Claire Gillespie  
Management Group Sponsor: Robin Presswood

Report author: Rory Young  
Title: Team Leader (Economic Growth)  
Email address: rory.young@dundee.gov.uk  
Phone number: 01382 434697

Date: 29<sup>th</sup> April 2026

**EXECUTIVE SUMMARY**

1. This update to the Culture and Tourism Programme Outline Business Case (OBC) has been prepared to reflect progress to date achieved through the delivery of projects identified as early opportunities, supports the development and delivery of projects identified as “medium term” in the original OBC and provides a mechanism to manage any underspend within the Programme. It is an update of the earlier OBC which was approved by Joint Committee in April 2020. This OBC update presents a clear and up-to-date view of the Strategic, Economic and Financial Cases for the scheme and fit for purpose Management and Commercial Cases.
2. Previous iterations of the refreshed Programme level OBC have been superseded by this final version, which has been approved by the Programme Sponsors. This version (5.1) has required substantive changes to previous versions (1.4 to 5.0 in the table above) due to the Programme OBC refresh coinciding with wider Reshaping the Deal processes. This overlap was not anticipated when the refresh began in 2024.
3. The Scottish Government via the Tay Cities Region Deal have agreed to make available up to £37 million to support a Regional Culture and Tourism Investment Programme (‘the Programme’) that will invest in key economic assets in culture and tourism. This includes an investment of up to £10 million in Pitlochry Festival Theatre. In addition, UK Government has invested £10 million in a Perth Museum project in order to transform the cultural offer of Perth and achieve economic development objectives for the wider Tay Cities Region, which will complement substantial cultural and creative industries investment in Dundee. A further three Perthshire tourism projects have been allocated funding through the Deal – Aero Space Kinross, Crieff Highland Gathering and Innerpefferay Library – however, these are not covered by this Programme or OBC.
4. The Culture & Tourism Investment Programme is an important element of the Tay Cities Region Deal. It will help to build on the significant culture and tourism offering across the Tay Cities Region, bring new attractions to the area and increase both the cultural offering and visitor numbers. It will also help to create jobs and link to skills opportunities in the hospitality and tourism sector.
5. The overarching objective of the Programme is to contribute to a wider Tay Cities Region ambition to be a highly desirable place to live, work, visit and invest in, by building on and strengthening the region’s existing culture and tourism offering. Our ambition is clear - to deliver a world class region with world class culture and visitor experiences in world class destinations.
6. The Programme continues to support strategy and policy drivers at a national, regional and local level – exploiting new opportunities and enhancing the connection between place, nature and heritage through our region’s strength in culture and the creative industries, food & drink and outdoor adventure. It is designed to maximise the use of public funds and leverage additional private sector investment. It will invest in a wide range of assets to ensure that the entire region can continue to build its visitor economy and creative industries capacity, reinforcing the culture-led regeneration that is already transforming the region through investments such as the V&A Dundee.
7. The Programme will be managed and delivered collaboratively by a partnership between the four Tay Cities Region local authorities, industry, Creative Scotland, Historic

Environment Scotland, and VisitScotland, with the support of the Scottish and UK Governments.

8. The Culture and Tourism Thematic Board (previously known as the Culture and Tourism Thematic Advisory Board) will maintain strategic oversight over all culture and tourism programmes and projects across the Deal. The Board will ensure projects align and where appropriate, directly engage with other Deal activities, particularly within the Connected and Inclusive workstreams, as well as regional and national tourism, creative and cultural initiatives, and any other relevant policy/strategic activity.
9. In previous iterations of this Programme OBC, Tay Adventures was a sub-programme which brought together a number of River Tay-based culture and tourism projects. As part of the Reshaping the Deal process, PKC carried out a review and withdrew two projects - Inner Tay Visitor Accommodation and Inner Tay pontoons & Moorings. Dundee City Council has indicated that the Dundee Marina project is unlikely to proceed at this time, due to fit with TCRD business case criteria. Following the removal of some of these projects, the remaining river-based initiatives are entered into the CTIP as individual "named" projects which will prepare Business Justification Cases, as project costs are below £2m. A Challenge Fund will be introduced, to facilitate investment into additional culture and tourism projects which will contribute to CTIP spending objectives within appropriate timescales.
10. As a result of this change, the following named Projects will be encompassed by the £27m Regional Culture & Tourism Investment Programme:
  - Pitlochry Festival Theatre
  - Hospitalfield
  - Discovery Point Transformed
  - HMS Unicorn Project Safe Haven
  - Arbroath Signal Tower Museum
  - St Andrews Harbour Hub
11. Remaining funding will be distributed through a Culture & Tourism Investment Programme Challenge Fund that will build upon the principle established and approved in the original approved Programme Business Case that decisions regarding project funding should be taken at regional level by the Programme with decisions approved through Tay Cities Deal Governance arrangements. This updated Programme OBC sets out arrangements for operation of the Challenge Fund including the strategic scope and aims; fund parameters; the proposed application process; arrangements for assessment and decision-making; proposed scoring criteria and weighting; business case requirements and timelines for implementation.
12. The total value of the tourism and culture projects included in the original Tay Cities Region Deal bid document was £129m with an ask for £68 million to be funded through the Deal.
13. Of the £37m available within the Investment Programme, the following allocation is proposed. The allocation outlined in previous versions has been included for transparency.

Project	Current Status	2020 OBC	Current OBC
Hospitalfield	In delivery	£5.5m	£5.5m <sup>1</sup>
Discovery Point Transformed	In delivery	£2.5	£5m <sup>2</sup>
Project Safe Haven	OBC finalised	£5.5m	£5.7m <sup>3</sup>
Tay Adventures (TA)	Removed as sub-programme	£13.3m	n/a
St Andrews Harbour Hub	BJC submitted	Within TA	£333k
Arbroath Signal Tower Museum	BJC under development	Within TA	£320k
CTIP Challenge Fund	OBC under development	NEW	£10.147m
Total		£27m	£27m

14. With the confirmed funding commitment of up to £27 million for the Investment Programme covered by this OBC, this proposal successfully manages the initial oversubscription issue.
15. Following approval of this refreshed Culture & Tourism Investment Programme Business Case, the business cases for Project Safe Haven, St Andrews Harbour Hub and Arbroath Signal Tower Museum will be reviewed by the Culture & Tourism Thematic Board prior to approval by Management Group and Joint Committee. Other business cases encompassed by the Culture & Tourism Investment Programme – Pitlochry Festival Theatre, Hospitalfield and Discovery Point Transformed - have already been through the appropriate review and approval routes.
16. This updated Programme OBC will be submitted to the Culture & Tourism Thematic Board at the same time as submission to Scottish Government for review. Following CTTB and SG feedback, it will be submitted to TCRD Management Group and Joint Committee.
17. It is possible that new projects which would contribute to the CTIP spending objectives may emerge through the wider Reshaping the Deal process. These would be considered for inclusion in the CTIP as part of the Deal governance and management arrangements in place for Strand 2.

<sup>1</sup> Hospitalfield project costs were £11.4m in the project FBC, which was approved in July 2020. This project is approved in principle and drawdown of funding is subject to ongoing confirmation of match funding.

<sup>2</sup> The allocation awarded to Discovery Point Transformed in 2020 was equivalent to 25% of the total project costs. The project FBC was approved in 2021 so the project is approved in principle and drawdown of funding is subject to ongoing confirmation of match funding. Increasing this allocation to £5m remains within the requirement for 50% of original project costs.

<sup>3</sup> Due to a combination of factors, the ask for Project Safe Haven has slightly increased. In the financial case within the PSH SOC, total project costs were £11.2m and the issue of non-recoverable VAT was recognised but the volunteer-led team at that time were unable to quantify these costs and increase the total project costs accordingly.

18. Forthcoming project business cases will be reviewed by CTTB members following the Checklist for Assessment of Project and Programme Business Cases<sup>4</sup> published by HM Treasury and updated in 2022. CTTB members represent a range of national and local public bodies and have relevant policy knowledge and expertise. Input from Scottish Government experts - economists, carbon or inclusive growth specialists - will be sought if required. The review process and outcomes will be formally recorded by the Culture & Tourism Thematic Board and TCRD PMO.
19. It is requested that small and low risk projects with confirmed match funding within the Tay Adventures sub-programme are required to produce a single stage Business Justification Case.

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<sup>4</sup> [Business Case Reviewers Checklist.pdf](#)

**ITEM No ...7.....**

**REPORT TO:** TAY CITIES REGION DEAL JOINT COMMITTEE – 19<sup>TH</sup> JUNE 2026

**REPORT ON:** TCRD RESHAPING RECOMMENDATIONS FOR UK & SCOTTISH GOVERNMENT

**REPORT BY:** PAUL THOMSON, TCRD S95 OFFICER AND GRAEME DAILLY, TCRD MANAGEMENT GROUP CHAIR

**REPORT NO:** TCRJC07-2026

**1. PURPOSE OF REPORT**

- 1.1. The purpose of this report is to seek Joint Committee approval of the proposed reshaped Tay Cities Region Deal (TCRD) Programme and to agree a set of recommendations to be submitted to the Scottish and UK Governments to enable delivery of the Deal, in relation to the report presented at Appendix 1.

**2. RECOMMENDATIONS**

- 2.1. The Joint Committee is asked to:
- I. Note that £49.857m of funding has been identified for reallocation following the review of existing Projects, subject to Joint Committee approval on the recommendations of the reshaped TCRD Programme,
  - II. Approve the proposed reshaped TCRD Programme, including revisions to existing Projects, removal of Projects unable to proceed, the inclusion of new Projects identified through the Strand 2 process, and the recommendation that the i3 Programme is first substitute up to the value of £10m, should further funding become available through the Deal; and,
  - III. Approve submission of the reshaped Programme (Appendix 1) to the Scottish and UK Governments for Ministerial consideration; and,
  - IV. Agree that the Joint Committee Chair will write to Scottish and UK Governments to make the request to reshape the Deal Programme. This will include an ask for the Scottish Government to consider if they are able to accommodate funding to be awarded above the Tripartite agreement; and,
  - V. Note that a report will be brought back to the Joint Committee on the outcome of the financial negotiations with Government.

### 3. FINANCIAL IMPLICATIONS

- 3.1. The proposed reshaping exercise would reallocate £49.857m of existing Deal funding to new Projects. All Projects, existing and new, will need to ensure that claims are based on eligible expenditure and in line with the TCRD Grant Offer Letter requirements.
- 3.2. The profile of the request for capital and revenue funding will exceed the current awarded values of funding from the Governments for each financial year remaining within the period of the Deal, per the existing Tripartite Agreement. With the support of the Finance Directors, the PMO will be negotiating on behalf of the Partnership a revised profile for capital and revenue to seek to place the Partnership in the strongest position to drawdown all funding by 31 March 2030. These values can be found in Tables 1 and 2 below.
- 3.3. A report will be brought back to the Joint Committee on the outcome of these negotiations with Government.

**Table 1**

<b>Capital</b>	<b>Year 8 2027/28</b>	<b>Year 9 2028/29</b>	<b>Year 10 2029/30</b>
<b>Awarded Tripartite Value (£)</b>	29,258,000	29,337,000	22,794,000
<b>Partnership additional Ask (£)</b>	8,248,000	14,669,000	14,671,000
<b>Total (£)</b>	<b>37,506,000</b>	<b>44,036,000</b>	<b>37,465,000</b>

**Table 2**

<b>Revenue</b>	<b>Year 8 2027/28</b>	<b>Year 9 2028/29</b>	<b>Year 10 2029/30</b>
<b>Awarded Tripartite Value (£)</b>	2,339,000	2,339,000	2,338,000
<b>Partnership additional Ask (£)</b>	5,447,000	4,495,000	3,899,000
<b>Total (£)</b>	<b>3,108,000</b>	<b>2,156,000</b>	<b>1,561,000</b>

### 4. BACKGROUND

- 4.1. The Tay Cities Region Deal was signed on 17 December 2020 and represents a £300m joint investment by the Scottish and UK Governments over a 10-year period to March 2030, to be delivered through a regional partnership.
- 4.2. As of April 2026, over £156m of Government funding has been released, supporting over 5,300 jobs<sup>1</sup> and securing approximately £253m of private and partner leverage.
- 4.3. Despite the successes of the Deal, a challenge was identified within the Partnership relating to the deliverability of the remaining Programmes and Projects, and their associated benefits, within the fixed Deal timescales. As such, the Partnership identified and agreed a need for a review and reshape of the Deal Programme.

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<sup>1</sup> The number of jobs realised to date is comprised of 2,313 new jobs, 1,322 construction jobs and 1,672 protected jobs.

## 5. RESHAPING APPROACH

### Requirement for Reshaping

- 5.1. The Partnership has undertaken a robust and comprehensive review of the Deal Programme in response to a range of delivery challenges, including inflation, project delays, and resource pressures.
- 5.2. The reshaping approach, agreed by the Joint Committee in March 2025, (Article V of the minute of meeting of this Joint Committee of 21<sup>st</sup> March refers), focused on ensuring that Deal commitments are deliverable within the remaining timeframe and continue to provide transformational economic benefit for the region.
- 5.3. The review has been led with input from each of the Deal's Thematic Boards, Heads of Economic Development Group, Finance Directors Group and Management Group. A Joint Review Panel of Management Group and Finance Directors Group members was formed to agree the final recommendations for presentation to the Joint Committee.

### Outcome of the Review of Existing Programme (Strand 1A and 1B)

- 5.4. Through the assurance process, that is outlined in Appendix 1, the Joint Review Panel concluded that a number of Projects had not provided sufficient assurance to effectively deliver within the Deal requirements. Further details of the assurances not provided are set out within Table 2 of Appendix 1 to this report.
- 5.5. It was recognised that this assessment was not a reflection of how good any Programme or Project was, it was whether it had demonstrated it could be delivered within the parameters and timeframe left for the Deal. This would result in £49.857m becoming available for reallocation and an associated reduction in forecast outputs, including jobs and leverage. The details are set out in Table 3.
- 5.6. Following the above assessment, feedback has been provided to the organisations noted in Table 3 that were considered as having not provided sufficient assurance. Some of these projects have expressed their disappointment at this and Joint Review Panel members have therefore engaged with the relevant Project Owners to further explain and outline the approach taken and the basis upon which the recommendations are being made.

**Table 3**

Project	Funding (£)	Jobs	Leverage/ Private Sector (£)
Just Tech	15,000,000	220	0
Crieff International Highland Centre	1,000,000	TBC	660,000
Aviation Academy for Scotland	8,100,000	93	0
Studio Dundee	3,000,000	250	21,000,000
Advanced Manufacturing Programme	8,000,000	TBC	8,000,000
Dundee Airport Investment	6,510,000	320	0
Aero Space Kinross	1,600,000	25	1,285,000
Project Beacon	5,200,000	60	12,425,000
Hydrogen Refuelling Station	1,447,000	TBC	TBC
<b>Total</b>	<b>49,857,000</b>	<b>968</b>	<b>43,370,000</b>

5.7. Change requests were also considered, with a number approved, to improve deliverability while maintaining alignment with Deal Commitments. A summary of these are set out in Table 4.

**Table 4**

<b>Project</b>	<b>Change Identified</b>	<b>Panel Decision</b>
Aero Space Kinross	Change to Project scope	Project unable to continue due to risk of deliverability. Project identified as not proceeding as part of the Deal
Hydrogen Refuelling Station	Change to Project scope	Project unable to continue due to risk of deliverability. Project identified as not proceeding as part of the Deal
Discovery Point Transport (part of the Regional Culture & Tourism Investment Programme)	Change to Project scope and delay in timelines	Accepted
Hospitalfield (part of the Regional Culture & Tourism Investment Programme)	Change to Project scope	Accepted
Perth Bus and Rail Interchange and Perth Active Travel Hub (part of the Low Carbon Transport & Active Travel Hub Programme)	Change to Project scope to combine both projects and a change in the configuration of job outputs	Accepted

### **Identification and Selection of New Projects (Strand 2)**

5.8. An open call for new Projects was undertaken between December 2025 and March 2026, resulting in 30 submissions across the region from a number of partners and organisations being received.

5.9. Projects were assessed against agreed criteria including deliverability, economic impact, strategic alignment (Regional Economic Strategy and Prospectus for Growth), and financial risk. Following detailed review, five Projects are recommended to form part of the reshaped Deal Programme based on overall scoring and review of the supporting Strategic Outline Business Case documentation for deliverability and regional impact. The details of this approach are set out in pages 9 to 15 of Appendix 1. The recommended new projects and their contribution towards the Deal's job and leverage commitments is in Table 5.

**Table 5**

Project	Thematic Board	Deal Funding Requested (£)	Proposed Jobs	Leverage/ Private Sector Investment (£)
2 Sisters Food Group	Innovative & International	3,750,000 <sup>2</sup>	1,425	103,000,000
Clean Growth Co-location Programme	Innovative & International	9,887,000	138	6,600,000
LIVEHOUSE	Culture & Tourism	15,000,000	150	6,500,000
Montrose Port Offshore Wind Prioritisation Project	Innovative & International	15,220,000 <sup>3</sup>	1,100	20,000,000
Perth Broxden Roundabout	Transport	6,000,000	125	1,000,000
<b>Total</b>		<b>49,857,000</b>	<b>2,938</b>	<b>137,100,000</b>

5.10. The Joint Review Panel are recommending to the Joint Committee that the Tay Cities i3 Programme would be the first substitute for consideration if any Project is not able to proceed, up to £10m of the Deal funding.

5.11. The Programme is a region-wide initiative which seeks to address persistent market failure in the provision of modern business premises and serviced employment land across the region. It aims to support growth sectors, innovation and inclusive economic growth by increasing the supply of high quality, flexible industrial and commercial space in Dundee, Angus, Perth and Kinross, and North East Fife. It will deliver a 'ladder' of serviced sites and modern premises of varying sizes and uses, enabling businesses to scale, attract private investment and create higher value jobs.

5.12. The recommendation is based on the merits of the project identified through the review and selection process, subject to it continuing to be able to meet Deal requirements. Existing governance will be required for the i3 Programme, including the Full Business Case being presented to Joint Committee for their consideration and approval.

### Subsidy Control

5.13. One of the early assessments considered for the recommended projects was subsidy risks. Subsidy control advice was sought on the shortlisted projects that the Joint Panel considered. Through this process, 2 Sisters Food Group and Clean Growth Co-location Programme were identified as a high risk, with the potential to be reduced to low.

5.14. In relation to the 2 Sisters Food Group and Clean Growth Co-location Programme, the Joint Review Panel carefully considered the risks identified and concluded that

<sup>2</sup> The Joint Committee has previously approved the allocation of £1.25m, of the Scottish Government side package Industrial Investment Programme funding, for 2 Sisters. This will be awarded as well as £3.75m that is being recommended from the Deal to meet the full funding request SOC ask by the Project of £5m.

<sup>3</sup> The original ask in the SOC was for £20m. Following recommended allocation to the full ask of all other Projects, there was £220k remaining, which has been placed against this Project.

these risks have the potential to be mitigated to low through the implementation of appropriate actions and by drawing on experience from similarly funded projects.

- 5.15. On this basis, the Joint Review Panel agreed that consistent with the approach adopted for existing projects within the Deal Programme, the identified subsidy control risks will be managed through the implementation of the recommended mitigation measures. This would include measures such as completion of the Seven Principles Assessment, which will be submitted as part of the first iteration of the Outline Business Case (OBC). This will apply to all projects categorised as high, medium and low risk through the SOC review, and all existing Deal Projects.
- 5.16. Assurance has been sought and secured from the Local Authority S95 Officer and Director that these points will be addressed ahead of submission of the OBC's.

### **Perth Broxden Roundabout – Transport Scotland Feedback**

- 5.17. Following the selection of Perth Broxden Roundabout by the Joint Panel, some comments were received from Transport Scotland. Transport Scotland recognised that the SOC sets out a credible strategic rationale for intervention at Broxden Roundabout. They have requested further work is undertaken ahead of the submission of an Outline Business Case (OBC) including data, modelling, a compliant economic appraisal, and option testing. They are also looking for the OBC to show the development around costs, funding, deliverability, timescales and stakeholder agreement.
- 5.18. It was agreed that the Partners will take this feedback into account, both in relation to the project timeline - acknowledging that additional work is required before progressing to the OBC stage - and in identifying and managing any associated risks or emerging issues.
- 5.19. Overall, Transport Scotland has confirmed its support in principle and is keen to work collaboratively with Perth and Kinross Council to develop the project. Perth and Kinross Council is likewise committed to this partnership and considers the feedback to be a valuable mechanism for effective project management moving forward.
- 5.20. Assurance has been sought and secured from the Local Authority S95 Officer and Director that these points will be addressed ahead of submission of OBC.

### **Benefits**

- 5.21. The reshaped Programme is expected to:
- Deliver significant additional employment and construction activity;
  - Leverage substantial private sector investment;
  - Strengthen regional innovation, clean growth, infrastructure and cultural assets.
- 5.22. Based on the potential outputs expected to be delivered as a result of the proposed new Projects, and taking into account the significant commitments already for the Deal, it is expected that the reshaped Deal will exceed original achievements. This will continue to be monitored through annual benefits reporting and evaluation.
- 5.23. This represents a strong net gain in economic impact despite the removal of select Projects.

## 6. RISK

6.1. Key risks to delivery have been identified within the Partnership, and include:

- Delivery risk within reduced timescales left for the Deal;
- Inflationary and market pressures; and;
- Subsidy control compliance.

6.2. The Management Group have agreed the need for robust programme management and scrutiny. This will be monitored through reporting against the agreed assurances provided by each Programme and Project Owner and their LA Sponsor. For example, their progress against milestones which includes for example business case development and delivery and any key risk actions, by the Heads of Economic Development, LA Leads, Thematic Boards and Management Group. There will also be legal oversight of subsidy control requirements early in Outline Business Case (OBC) development.

## 7. NEXT STEPS

7.1. Subject to Joint Committee approval, the reshaped Programme will be submitted to both Governments for Ministerial approval.

7.2. All Projects within the Deal would continue to be required to progress through the business case approval process in line with HM Treasury Green Book principles and the Deal's agreed governance and decision pathway.

7.3. Enhanced programme management arrangements will be implemented, including:

- Robust monitoring of milestones and delivery assurances
- Regular reporting to Heads of Economic Development, Thematic Boards and review panels
- Escalation processes for underperformance

7.4. The new project submissions received, which have not been recommended for inclusion in the reshaped Deal Programme, represent a strong pipeline of potential projects. This pipeline of projects could be developed will also support identification of Projects for any future economic investment funding opportunities. This pipeline provides a basis for the development and identification of projects aligned with future economic investment funding opportunities.

7.5. Partners will look to use the governance structure it has developed for this review and reshaping work, for any future management of the Programme.

## 8. POLICY IMPLICATIONS

8.1. None.

## 9. CONSULTATIONS

9.1. The Tay Cities Region Deal Finance Directors Group, Management Group and the Clerk to the Joint Committee were consulted in the preparation of this report.

## 10. BACKGROUND PAPERS

10.1. None.

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Date: 26<sup>th</sup> May 2026



# Tay Cities Region Deal

## RESHAPING THE TAY CITIES REGION DEAL

June 2026



Funded by  
UK Government



Scottish Government  
Riaghaltas na h-Alba

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## Executive Summary

The Tay Cities Region Deal, signed in December 2020, represents a £300m joint investment by the UK and Scottish Governments to drive economic growth across Angus, Dundee, Fife, and Perth & Kinross. Delivered through a broad partnership of public, private, academic, and third-sector organisations, the Deal aims to deliver long-term regional transformation by 2035.

As of April 2026, the Deal has entered Year 7 of its 10-year investment period and has demonstrated strong progress despite significant external challenges, including Brexit, Covid-19, global inflation, and construction constraints. To date, over £156m of government funding has been released, supporting more than 5,300 jobs and securing £253m in regional leverage.

### Programme Review and Reshaping

Facing delivery pressures and evolving economic conditions, the Partnership undertook a comprehensive review of the Deal Programme between 2023 and 2026. This resulted in a structured “Reshaping” approach designed to ensure full delivery of commitments and optimise regional impact. This review consisted of:

- Strand 1A/1B: Assessment of existing projects to confirm deliverability or identify required changes.
- Strand 2: Reallocation of funding from non-viable projects through an open call for new, high-impact proposals.

Through this process:

- 1 Programme and 8 projects were identified as unable to proceed, releasing £49.857m for reallocation.
- 3 project change requests were approved to improve deliverability.

### Selection of New Projects

An open call, launched in December 2025, attracted 30 proposals. Following a rigorous assessment process aligned with HM Treasury Green Book principles, 5 projects were shortlisted for recommendation to form part of the reshaped Deal Programme:

- 2 Sisters Food Group
- Clean Growth Co-location Programme
- LIVEHOUSE
- Montrose Port Offshore Wind Prioritisation Project
- Perth Broxden Roundabout Improvement Package

These projects were selected based on deliverability, strategic alignment, and their potential to deliver transformational regional economic benefits.

## **Expected Outcomes**

Overall, the Deal is forecast to meet its commitments to over 6,000 jobs and lever in £400m of investment for the region.

## **Governance and Delivery**

Strong governance structures, including the Thematic Boards, Management Group, and Finance Directors Group, underpin programme delivery. Enhanced assurance processes, business case scrutiny, and ongoing monitoring will ensure all projects meet required milestones and funding conditions. Subsidy control risks have been assessed, with mitigation plans in place for higher-risk projects. All projects must now progress through Outline and Full Business Case stages to secure final approval.

## **Conclusion**

Despite a challenging economic environment, the Tay Cities Region Deal remains on track to deliver significant, long-term economic benefits. The reshaping process has strengthened the programme by focusing investment on deliverable, high-impact projects, ensuring maximisation of regional growth and value for money.

# Introduction

## Background

The Tay Cities Region Deal was signed on 17<sup>th</sup> December 2020 by the Tay Cities Region Partnership and both the UK and Scottish Governments. The Deal is a combined investment of £150m each from the Scottish and UK Governments over a 10-year period, to March 2030, with an opportunity to deliver all benefits over a 15-year period, by March 2035.

The Tay Cities Region Deal is a Partnership between the four local authorities of Angus, Dundee, Fife and Perth & Kinross, the Higher and Further Education sector, business sector, third sector, TACTRAN, VisitScotland, Scottish Enterprise and Skills Development Scotland.

As of April 2026, the Tay Cities Region Deal entered the seventh year of its 10-year funding investment programme. The ambition and success of the Partnership in their delivery of the Deal Programme to date has been recognised by both Governments. There has been acknowledgement that the Deal has delivered over a period of great challenge which has included significant construction resource availability in the early years and inflation arising from a combination of Brexit, Covid and the war in Ukraine.

The Deal has continued to deliver and achieve as it enters year seven. To date over half of the £300m Government Investment has been claimed, and the following benefits have been realised:

- £156.443m Government investment released;
- 5,307 new and construction jobs created, or jobs protected; and
- £253m leverage secured for the region, of which £248.7m has been received.

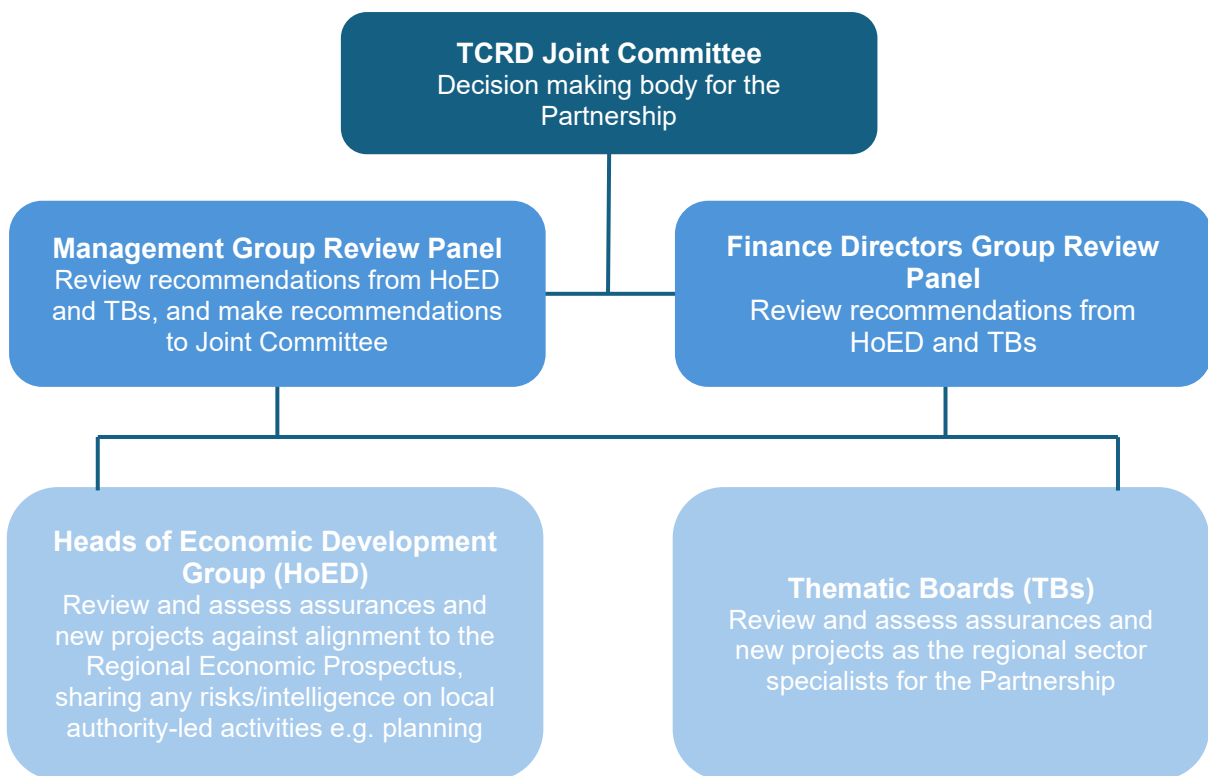
The Partnership has continued to demonstrate resilience and strategic focus. Through the commitment and collaborative efforts of all Partners, and with support from both the Scottish and UK Governments, the Partnership remains a dynamic and results-driven force in delivering the ambitions of the Tay Cities Region Deal. Continuous improvements and efficiencies are being achieved by embedding best practice across all aspects of delivery.

# Governance

## Partnership Roles

To allow the Partnership to carry out an effective review of the Deal Programme, a temporary governance arrangement was established to create Management Group and Finance Directors Group review panels. The review panels were informed by recommendations made by the Thematic Boards and Heads of Economic Development Group. The governance structure is shown below in Figure 1. The role of other contributors is also noted.

Figure 1



**Project Owners**

The named organisation to develop and deliver the Project. This is the organisation by which the Legal Agreement will be issued.

**Programme / Fund Owner**

The named Partner who leads on overseeing the development and delivery of the Programme / Fund, and the management of the Projects within the Programme / Fund. This applies to the Regional Skills and Employability Development Programme, Regional Culture & Tourism Investment Programme and the Angus Fund.

**Programme Management Office (PMO)**

Team of officers who facilitate and support to ensure that the Partnership is fully informed around the delivery of the Deal Programme

**Local Authority Lead (Sponsor)**

The Local Authority Director for the geographical area in which a Project, Programme or Fund is located. They are also referred to as the Management Group sponsor for any reports presented to Management Group and Joint Committee. The Local Authority Director, with support from their Head of Economic Development Group representative, will take the lead on providing assurances, in line with the approach undertaken in 2024.

**Thematic Boards**

The regional and national sectorial experts on behalf of the Partnership for the 5 Themes of the Deal as agreed at Deal Signing – Culture & Tourism, Digital, Innovative & International, Skills and Transport. Each of the Thematic Boards have representation across the Partnership including the National Agencies. The Thematic Board has a key role in scrutinising and reshaping the relevant part of its topic area ensuring that the assurances and submissions are deliverable.

**Heads of Economic Development Group**

Comprised of representatives from each Local Authority, TACTRAN and Scottish Enterprise. The Heads of Economic Development Group have a role in ensuring any new potential projects aligned with the Regional Economic Prospectus.

**Finance Directors Group**

Comprised of representatives from each of the Local Authorities and HE/FE sector. The group have a key role in providing financial expertise around the investment of Deal Funding.

**Management Group**

Comprised of the Chief Executives of the four local authorities (currently delegated to the four LA Directors) and representatives of the HE/FE Forum, Business Forum Chair, Skills Development Scotland, Scottish Enterprise, TACTRAN, and VisitScotland.

**S95 Officer**

Provides assurance for both governance and finances for the Partnership. The S95 Officer provides assurance for the Chief Executive of the Accountable Body.

**Lead Partners**

Comprised of representatives from each of the Local Authorities, the HE/FE sector, the business sector, Scottish Enterprise, Skills Development Scotland, TACTRAN, and VisitScotland.

# Reshaping Approach

## Requirement to Review the Deal Programme

Over the last two years, a number of challenges and risks have faced the Tay Cities Region Deal Partnership with regards to the delivery of the Deal Programme. These have included:

- The delivery of the Deal Programme and Commitments as a result of the impact of inflation being felt by Partners and Projects
- Projects not being able to progress as planned and therefore business cases not having secured Joint Committee approval
- Developing and ensuring effective delivery of the Revenue Programme
- Pressures on resources within the Partnership and PMO with the potential to impact the effective management and delivery of the Programme.

To address these challenges, partners undertook a series of in-person workshops, which informed the development of the “Reshaping the Tay Cities Region Deal” approach in early 2025.

While significant progress has been made, this report outlines the steps taken by the TCRD Partnership to ensure that the planned investment and associated commitments are fully delivered for the benefit of the region. Throughout this period, the Partnership has continued to strengthen its collaborative working relationship with both Governments through ongoing engagement, supporting the development of the revised programme and approach.

## Approach

The agreed approach to reshaping the Deal is based around focusing on the commitments that the Partnership signed up for in 2018 Heads of Terms and then in 2020 at Deal signing.

It was acknowledged that where a delivery Programme is set over a 10-year period, it is likely that there will be changes, in particular with capital Programmes. In addition, the challenges of the last five years, experienced across all investment Programmes, has had an impact on delivery.

It was also recognised by the Partnership that there may be Projects which were part of the original Deal which are no longer able to meet the Deal funding requirements. The Partnership entered into the Deal with a set of commitments with both Governments. The delivery of these commitments is key to the success of the Deal. Therefore, any proposed revisions to these commitments both within existing Projects, Programmes and Fund, and any alternatives was a core consideration when the Partnership undertook the reshaping of the Programme.

The Partnership started a review of the Deal Programme in the Autumn of 2023. To ensure that the economic benefit of the Deal is realised, the Partners agreed an approach to undertake two strands of work, Strand 1A/1B (both to be undertaken in parallel) and Strand 2. The Partnership

reviewed and agreed the approach in March 2025. A timetable of the reshaping approach can be found at Appendix 1.

## **Strand 1A**

Strand 1A involved the assurance of existing commitments. Each Project, Programme and Fund Owner provided assurance with supporting evidence that:

- The Project, Programmes and Fund can be fully delivered as entered into Deal; or,
- With proposed revisions to scope and/or commitments to the original Project (this included any 'ask' for a variation to the financial profile awarded at Deal Signing).

The lead local authority and Thematic Board had a key role in overseeing this strand of work and reviewing the assurances received.

## **Strand 1B**

Strand 1B involved the lead local authority Directors, as the Management Group sponsor for all Project, Programmes and Fund within their geographical area, engaging with regional partners to identify if substantive changes e.g. identification of a new site, were required for existing projects to ensure that they would be deliverable within the timescales of the Deal. This was done in conjunction with the Thematic Boards.

Each substantive change request required adequate evidence and justification to provide assurance on its deliverability and be accompanied by a completed change request form.

## **Review of Strand 1A and Strand 1B**

The Thematic Boards reviewed and considered the assurances and change requests before being presented to the Management Group review panel on the 10<sup>th</sup> and 13<sup>th</sup> of November 2025 and the Finance Director review panel on the 30<sup>th</sup> of January 2026.

The review panel meetings included review comments from Thematic Boards, risks for the Project and noted any change requests provided as part of Strand 1B. The two meetings allowed the Partnership to understand which Projects had advised they were no longer able to proceed and identified a list of actions for Projects to complete.

Actions were shared with Projects through formal letters, for example to provide additional information pertaining to subsidy control, business case timetables and assurance around project deliverability, to be completed by the 28<sup>th</sup> of February. The review panel agreed that, if actions were not complete, then the Project would be confirmed as not having provided sufficient assurance to proceed within the Deal and funding would be reallocated to Strand 2.

## Outcome of Strand 1A and Strand 1B

The Strand 2 approach took place after Strand 1A and 1B determined the Projects unable to continue within the terms of the Deal and how much funding was available to be reallocated to new Projects.

Through this process, 5 change requests were received - 3 of which were accepted. The Partnership considered that the other two Projects would continue to have significant risks around deliverability despite the change requests presented. The change requests received and the review panel's recommendations are noted in Table 1.

**Table 1**

Strand 1B		
Project	Change Identified	Panel Decision
Aero Space Kinross	Change to Project scope	Project unable to continue due to risk of deliverability. Project identified as not proceeding as part of the Deal
Discovery Point Transformed (part of the Regional Culture & Tourism Investment Programme)	Change to Project scope and delay in timelines	Change request accepted
Hospitalfield (part of the Regional Culture & Tourism Investment Programme)	Change to Project scope	Change request accepted
Hydrogen Refueling Station	Change to Project scope	Project unable to continue due to risk of deliverability. Project identified as not proceeding as part of the Deal
Perth Bus and Rail Interchange and Perth Active Travel Hub (part of the Low Carbon Transport & Active Travel Hub Programme)	Change to Project scope to combine both projects and a change in the configuration of job outputs	Change request accepted

In summary, 3 change requests were accepted and £49.857m of funding was identified across 9 projects as being available for reallocation. This relates to £18.957m Scottish Government funding and £30.9m UK Government funding. Related to these projects, this meant a reduction of 968 jobs towards the Deal's commitment of 6,000 jobs and £43.37m leverage towards the Deal's commitment of £400m leverage. Through the identification of new Projects, it was likely that these reductions would be managed. Table 2 includes a summary of the Projects recommended to not proceed as part of the Deal.

## Tay Cities Region Deal – Reshaping the Tay Cities Region Deal

Table 2 – Projects recommended to not proceed as part of the Deal

Strand 1A/1B Outcome					
Project	Scottish Government Funding	UK Government Funding	Benefits – Jobs	Benefits – Leverage	Decision Justification
Advanced Manufacturing Programme	£8,000,000	0	TBC	£8,000,000	Project did not meet assurance requirements
Aero Space Kinross	0	£1,600,000	25	£1,285,000	Project did not meet assurance requirements
Aviation Academy for Scotland	0	£8,100,000	93	0	Voluntary decision from the Project Owner after assessing deliverability
Crieff International Highland Centre	0	£1,000,000	TBC	£660,000	Voluntary decision from the Project Owner after assessing deliverability
Dundee Airport Investment	£6,510,000	0	320	0	Voluntary decision from the Project Owner after assessing deliverability of the capital element of the Project.  The review panel also considered the request for an additional capital to revenue transfer which was not agreed as it had not met assurance requirements
Hydrogen Refueling Station	£1,447,000	0	TBC	TBC	Voluntary decision from the Project Owner after assessing deliverability
Just Tech	0	£15,000,000	220	0	Voluntary decision from the Project Owner after assessing deliverability
Project Beacon	0	£5,200,000	60	£12,425,000	Project had not met assurance requirements
Studio Dundee	£3,000,000	0	250	£21,000,000	Voluntary decision from the Project Owner after assessing deliverability
<b>Total</b>	<b>£18,957,000</b>	<b>£30,900,000</b>	<b>968</b>	<b>£43,370,000</b>	

## Strand 2

### Open Call for New Projects

The Partnership reviewed and agreed the approach in March 2025, which included an open call for Projects. This was published on the Tay Cities Region Deal Website on the 17<sup>th</sup> of December 2025, with an accompanied press release which was picked up regionally and nationally<sup>1</sup>.

Criteria for new projects included:

- Funding is available only for new projects (not existing projects or extensions of current Deal projects).
- Projects must align with the Deal Document, Regional Economic Strategy, and Prospectus for Regional Growth.
- Projects must be a minimum request of £5m capital funding.
- Applicants must review the full guidance and ensure they can meet all deadlines and requirements before submitting.
- Strategic Outline Cases (SOCs) must be completed using the specified assessment template, noting that the submission of an SOC does not guarantee funding.
- Funding decisions will be made by the regional Partnership and Governments, with formal announcements by elected members and ministers.

Each submission required adequate evidence and justification to provide assurance on its deliverability. This was provided in the form of a Strategic Outline Case. A template and guidance<sup>2</sup> were agreed by the Partnership before being uploaded on the Tay Cities website alongside the call for Projects. The deadline for submissions was the 31<sup>st</sup> March 2026. The SOC process was supported by Local Authority leads, with contact details for all Local Authorities included on the Tay Cities website.

In total, 30 SOC were received from across the region. The SOC were sorted into indicative themes for Thematic Boards to review and provide recommendations to the review panels.

### Review of New Projects

The Partnership were advised by both Governments about the importance of funding being used for regional and transformational economic benefit. This has been a key consideration for all Partners.

The Thematic Boards had a key role in reviewing, as did the Heads of Economic Development Group in ensuring a Project aligns with the Regional Economic Prospectus.

Each proposal was subject to review and assessment by the review panel and Finance Directors Group, using an agreed set of criteria as above. Both groups agreed the Projects which were best suited to deliver within the remainder of the Deal.

<sup>1</sup> [New Business Opportunities Open as Tay Cities Region Deal Marks Five-Year Milestone | Tay Cities Deal](#)

<sup>2</sup> [Microsoft Word - TCRD - Strategic Outline Case Guidance](#)

The approach agreed to use the requirements of the HM Treasury Green Book SOC and a bespoke template for the Tay Cities Region Deal was created<sup>3</sup>.

Scoring template was developed and agreed by the Partnership, this included:

- Mandatory pre-qualifying eligibility criteria
- Risk assessments of deliverability
- Assessment of strategic alignment
- Key deal outputs
- Economic impact
- Financial risks, and
- Other deal requirements, e.g. carbon categorisation, fair work first, inclusive growth and reduction in child poverty

A series of thematic board review meetings were held in March 2026, during which each SOC was assessed by the relevant board using the established scoring template. Through these reviews, all boards agreed to assign each SOC a score for both deliverability and regional impact, based on defined levels of confidence (high, medium, or low) (Table 3).

**Table 3**

Confidence Rating		
High	3	Meets or exceeds requirement
Medium	2	Partially meets requirement / Further work to do to meet requirement
Low	1	Does not meet requirement

These scores were subsequently combined to generate an overall scoring, with higher priority projects indicated by a 1. Both review panels selected all SOC's with an overall scoring of 1 or 2 for further consideration.

While the assessment process included a structured scoring framework, it was not intended to operate as a purely deterministic ranking exercise. The scoring provided an initial, evidence-based filter to identify projects with strong deliverability and impact credentials. However, final recommendations were made following multi-stage qualitative consideration by the Thematic Boards, Management Group and Finance Directors Group.

In particular, the decision-making process took into account:

- the balance of the overall programme across themes and geographies;
- the timing and confidence of delivery within the remaining Deal period;
- the ability of projects to collectively maximise regional and transformational economic impact; and
- risk, including financial, deliverability and subsidy control considerations, alongside proposed mitigation measures.

<sup>3</sup> [https://www.taycities.co.uk/sites/default/files/2025-12/Strategic%20Outline%20Case%20Template\\_0.docx](https://www.taycities.co.uk/sites/default/files/2025-12/Strategic%20Outline%20Case%20Template_0.docx)

With this approach, the partnership undertook a further stage of prioritisation, reviewing each scheme against agreed strategic, financial, and deliverability criteria. Each panel systematically considered the projects in turn, supported by recommendations from each Thematic Board and summary information. Thematic Board Chairs, where appropriate, provided additional commentary and context for their respective proposed projects, which informed panel discussions.

Taking this evidence into account, the panels assessed the relative merits of each project and made recommendations. During this process, both Thematic Boards and review panels, including input from the Heads of Economic Development Group, identified a number of points requiring clarification.

Follow-up meetings were held with each of the project proposers, alongside the relevant Thematic Board Chair, Local Authority Management Group sponsor, and Finance Director. Legal advice was also sought on subsidy control risks. The responses gathered informed the final recommendation agreed at a joint review panel on 18<sup>th</sup> May 2026.

At this meeting, both the Management Group and Finance Directors confirmed they were satisfied with the clarifications and had no further queries. The additional information, alongside earlier panel feedback, informed the selection of the recommended projects and ensured that the final recommended Deal Programme represents the strongest overall package to deliver the Deal's objectives.

# Recommended Revised Deal Programme

## Recommended New Projects

Following consideration of different options and taking into account project risks, deliverability, and regional impact, the panel agreed on the 5 projects to be recommended to proceed as part of the Tay Cities Region Deal:

- 2 Sisters Food Group
- Clean Growth Co-location Programme
- LIVEHOUSE
- Montrose Port Offshore Wind Prioritisation Project
- Perth Broxden Roundabout Improvement Package

Summaries of these Projects can be found at Appendix 2.

These Projects would join the suite of existing Deal Projects, as well as Programmes and Fund, to deliver within the Tay Cities region.

## Deal Benefits

The selected projects have the potential to deliver up to:

- 1,012 new jobs,
- 1,028 construction jobs,
- 898 protected jobs, and
- £137,100,000 leverage.

The proposed benefits will be further refined as the business case progresses to both Outline and Full Business Case (OBC and FBC) stage. Once business cases have secured Government and Joint Committee approval, the benefits will be confirmed as their agreed commitments to the Deal.

Considering the job losses and leverage commitments from projects that can no longer proceed as part of the Deal, alongside the potential commitments from new projects, the net gain is expected to be 2,705 jobs across all three categories and £87.76m in leverage. On this basis, the original commitment of 6,000 jobs and £400m leverage is likely to be realised. This is dependent on overall delivery, although to date many projects have secured leverage contributions that have exceeded their commitments.

There are a number of other 'core' outputs for the Region, as agreed at Deal Signing. These include training places, visitors, development space unlocked, spin-outs created and SMEs supported. Taking account of the lost outputs from the Projects no longer able to proceed as part of the Deal and the potential commitments from new Projects, it is anticipated the Deal will be able to achieve the following (Table 4).

Table 4

Output	Output Total at Deal Signing	Output Total <sup>4</sup> after Strand 1A/1B	New Output Total after Strand 2 (inc. New Projects)
Training Places	591	51	855
Journey Time Savings	0	0	0
Development Space Unlocked m <sup>2</sup>	7,755	5,094	61,103
Visitors	24,231	21,231	379,459
Start Ups	28	0	7
SMEs Supported	170	170	4,598

The breakdown of all Deal commitments for new and existing Projects is shown in Appendix 3. The output definitions for the Deal's core outputs, as agreed by the Partners and Governments ahead of Deal Signing, are listed in Appendix 4.

## Subsidy Risks

The Joint Review Panel adopted a risk-based approach to managing subsidy control compliance across proposed projects. External legal advisers first assessed each Strategic Outline Case (SOC) and identified varying levels of subsidy risk (Table 5).

These findings were reviewed by the joint review panel, which agreed on a tiered response:

- High-risk projects were required to provide additional detail on mitigation measures before progressing.
- Medium- and low-risk projects would address mitigation through the development of their Outline Business Cases (OBCs), with oversight from legal advisers and ongoing reporting to the Partnership.

In relation to the 2 Sisters Food Group and Clean Growth Co-location Programme, the Joint Review Panel carefully considered the risks identified and concluded that these risks are likely to be mitigated to low through the implementation of appropriate actions and by drawing on experience from similarly funded projects.

On this basis, the Joint Review Panel agreed that, consistent with the approach adopted for existing projects within the Deal Programme, the identified subsidy control risks will be managed through the implementation of the recommended mitigation measures, including completion of the Seven Principles Assessment, which will be submitted as part of the first iteration of the Outline Business Case (OBC). This will apply to all projects categorised as high, medium and low risk through the SOC review, and all existing Deal Projects.

Furthermore, additional assurance has been sought from the lead local authority to the Deal Section 95 Officer with regard to the two Projects identified with a subsidy risk, but with the potential for it to be mitigated to low

<sup>4</sup> Total based on commitments at Deal Signing.

## Tay Cities Region Deal – Reshaping the Tay Cities Region Deal

Table 5

Project	Subsidy Risk	Mitigating Actions
2 Sisters Food Group	High <i>but can be reduced to Low</i>	Seven Principles assessment will be required. The Accountable Body should agree a subsidy control strategy with Scottish Enterprise and Perth & Kinross Council before confirming this grant. Failure to manage this would result in a High risk of a challenge being successful. The Council, SE and Perth & Kinross Council could agree a subsidy compliance route which would mean that this could be reduced to Low risk. While Legal cannot prejudge this, on the basis that the grant funding is consistent with the subsidy control principles, they would consider that the risk would be reduced to Low.
Clean Growth Co-location Programme	High <i>but can be reduced to Low</i>	Seven Principles assessment will be required. Legal consider that this can be reduced to a Low risk if the Council undertakes its own assessment against the subsidy control principles, publishes the subsidy on the subsidies database and waits for the relevant challenge period to expire. This would require a detailed economic assessment. While Legal cannot prejudge this, on the basis that the grant funding is consistent with the subsidy control principles assessment, they would consider that the risk would be reduced to Low.
LIVEHOUSE	Medium <i>but can be reduced to Low</i>	Seven Principles assessment will be required. In light of both the high value and high intensity of the aid, and the very obvious impact on competition, we would recommend that the Accountable Body undertakes a very thorough principles assessment backed up by its own independent econometric analysis in order to validate its conclusions. The Accountable Body should, in addition, consider approaches to reduce the risk of distortion, such as using a loan rather than a grant, or making the grant repayable in certain circumstances. While Legal cannot prejudge this, on the basis that the grant funding is consistent with the subsidy control principles, they would consider that the risk would be reduced to Low.
Montrose Port Offshore Wind Prioritisation Project	Medium to Low	Seven Principles assessment will be required. The Council would need to be confident that Angus Council could do so in compliance with the law. The Accountable Body should agree a subsidy control strategy with Angus Council before confirming this grant. In the light of both the high value and the intensity of the aid, and the very obvious impact on competition, Legal would recommend that the Accountable Body undertakes a very thorough principles assessment backed up by its own independent econometric analysis in order to validate it. The Council should, in addition, consider approaches to reduce the risk of distortion, such as using a loan rather than a grant, or making the grant repayable in certain circumstances. While Legal cannot prejudge this, on the basis that the grant funding is consistent with the subsidy control principles, they would consider that the risk would be reduced to Low.
Perth Broxden Roundabout Improvement Package	Low	N/A

## Financial Profile

### Current Deal Profile

The current financial profile awarded to the Deal reflects the Tripartite agreement, which sets defined capital and revenue allocations annually, until 2029/30.

Given changes to the programming of projects and introduction of new projects, the Partnership have had to consider a change to the agreed profile and make a request to the Scottish Government.

The allocations required to support project delivery over the next 3 years of the Deal will exceed the Tripartite agreement and there is therefore a risk that funding may not be available when projects require it.

### Requested Deal Profile

All Project Owners, both existing and proposed new Projects, were asked to provide assurance around their requested profile to ensure that this was both realistic and deliverable.

The Tay Cities Finance Directors Group met and considered this profile. Based on their collective experience of capital programmes, it was recommended that a 20% adjustment was made to the overall value being requested by the Partnership for years 8 and 9 of the Deal.

Early informal discussions with Governments have highlighted that asks above Tripartite values may be more easily accommodated if these were under £15m.

The indicative profile for the remainder of the Deal can be seen in tables 6 and 7 (capital and revenue) and therefore shows the ask of the Partnership with these adjustments applied.

Noting that the Partnership ask above the awarded Tripartite value will need to be agreed with both Governments.

**Table 6**

<b>Capital</b>	<b>Year 8 2027/28</b>	<b>Year 9 2028/29</b>	<b>Year 10 2029/30</b>
<b>Awarded Tripartite Value (£)</b>	29,258,000	29,337,000	22,794,000
<b>Partnership additional Ask (£)</b>	8,248,000	14,669,000	14,671,000
<b>Total (£)</b>	<b>37,506,000</b>	<b>44,036,000</b>	<b>37,465,000</b>

Table 7

Revenue	Year 8 2027/28	Year 9 2028/29	Year 10 2029/30
Awarded Tripartite Value (£)	2,339,000	2,339,000	2,338,000
Partnership additional Ask (£)	5,447,000	4,495,000	3,899,000
<b>Total (£)</b>	<b>3,108,000</b>	<b>2,156,000</b>	<b>1,561,000</b>

Once agreement is received from Government Ministers on the proposal for the reshaped Deal, the Partners will then carry out an additional exercise to work with all organisations and Project Owners to align to the awarded funding and manage any risks to the profile.

Partners will also seek some additional certainty from both Governments around the profile that is above the guaranteed tripartite award. It may be a requirement of the Partnership to make asks to the Government on an annual basis for any capital funding above the agreed Tripartite value, similar to the requirements for revenue funding. This risk will sit with the Partnership, and further work would be required to align profiles and manage the associated risks.

# Delivering the Deal Programme

## Project Development and Approval

All existing Projects have been encouraged to ensure that they continue to progress with developing their business case throughout the reshaping process, to ensure that they are able to secure Government and Joint Committee approval to be able to deliver the Project by March 2030.

For the newly selected Projects, business cases will also need to be developed to ensure that they can secure Government and Joint Committee approval.

The review process for all business cases is in line with the Partnership's agreed decision pathway, as set out on Page 44 of the Deal Document. The Thematic Boards will continue to assess business cases as the sector experts alongside the review by both the UK and Scottish Governments, prior to recommendations being made to the Management Group and Joint Committee. Only at this point will the Projects will be eligible for a Legal Agreement to be issued which will enable them to start claiming funding.

The Partnership has sought updated business case timetables from all Projects, as well as updated milestones and a requested funding profile. This has formed an assurance by which the Project will reviewed against, to ensure that progress is made within the timescales required.

## Programme Management and Scrutiny

Given the limited timeframe to deliver all projects within the Deal following the reshaping exercise, all partners will be responsible for ensuring that agreed milestones - including business case timelines set out in the assurances - are met. Progress will be monitored through Thematic Boards and checkpoint panel meetings to ensure delivery remains on track. These assurances will also inform the development of the Deal's Implementation Plan, in line with Grant Offer Letter requirements.

Ahead of full Ministerial approval of the Deal Programme, the Management Group will agree the approach to monitoring the assurances provided by each project. This may include:

### 1. Clear escalation routes

- Define escalation mechanisms where projects fall behind schedule or fail to meet assurance commitments.
- Outline when issues are escalated from Project → Thematic Board → Management Group.

### 2. Risk and issue management

- Continue reporting programme-level risk register with quarterly updates to Management Group and Joint Committee.
- Require projects to maintain and report Project-level risks through Quarterly Reports.

### 3. Quarterly Reports

- Projects to continue to provide key project delivery and RAG (Red/Amber/Green) status reporting for:
  - Milestones
  - Spend and Claims
  - Benefits
  - Financial reporting and monitoring
- Standardised reporting templates across all projects

### 4. Benefits tracking

- Annual benefits reporting from Projects in line with the Benefits Realisation Plan
- Post-project evaluation to confirm outcomes

In addition, all projects must deliver in accordance with the agreed Deal terms, including compliance with the Benefits Realisation Plan and reporting requirements.

## Contingency Plan

Reshaping of the Tay Cities Region Deal has been a robust process to identify the most suitable projects to deliver with the limited timeframe for the Deal. There is, however, the potential risk that any Project may not be able to deliver in line with the terms of the Deal and alternative options may need to be considered.

The Joint Review Panel agreed that the Tay Cities i3 Programme would be the first substitute for consideration if any Project is not able to proceed, up to £10m Deal funding. This is based on the merits of the project identified through the review and selection process, subject to it continuing to be able to meet Deal requirements. Any additional requests for funding would need to be considered by the Partnership.

If it was considered that the Tay Cities i3 Programme was no longer able to meet the Deal requirements, the Joint Review Panel will discuss and make recommendations to the Governments and Joint Committee for alternative Project(s).

This structured approach supports the Partners' ambition to strengthen programme resilience and ensure that viable, high-quality and regional projects are readily available to deliver within the Deal's timescales. This will also contribute to the longer-term strategic objective of maintaining a sustainable and competitive pipeline of projects for future investment in line with regional priorities.

## Pipeline of Projects

Any Project which is no longer able to meet the Deal funding requirements, or has not been selected as part of the reshaping process, would be placed in a pipeline of projects for consideration for future funding opportunities, as appropriate, but they would be reassessed to ensure that they are aligned with the requirements of any future funding streams.

This approach reflects the Partners' continued commitment, as identified in 2023, to actively develop and maintain a robust and deliverable pipeline of projects that can respond flexibly to emerging opportunities. This in turn will place the Partnership in the strongest possible position to manage the existing Deal Programme effectively while also responding proactively to future economic investment opportunities as they arise.

Projects not selected through the reshaping of the Deal may wish to continue progressing their projects, through the development of their business cases, at their own risk. There is no guarantee that there will be an opportunity for them to formally become part of the Deal; however, continued development could contribute to a wider, investment-ready pipeline.

## Appendix 1: Reshaping Timetable

Timeline 2026	Existing Programme Assurance	New Projects Selection & Prioritisation (including Assurance)	Engagement with Joint Committee and Governments
December 2025 / January 2026	<b>Project, Programmes and Fund Owners supported by LA Sponsors</b>	<b>Open Call for Projects on Tay Cities Region Website Opened: 17<sup>th</sup> December</b>	
February	Complete the actions agreed at the November Panel Meetings to inform Assurance. To include evidence of how all actions have been addressed and completed. <b>28<sup>th</sup> Feb Deadline for all Assurances Actions to be Completed and Submitted</b>		<b>Updates provided to both Governments</b> at scheduled weekly calls by PMO.
March	<b>PMO collate and share out Assurance Actions Received</b>		
	<b>Thematic Boards &amp; HoED (including LA Leads)</b> Review and assess Assurance submissions with supporting evidence and make recommendations	<b>PMO collate and circulate SOC's</b> received for review	<b>12<sup>th</sup> March: Annual Conversation:</b> with both Governments
	26 <sup>th</sup> March Management Group Panel Review of Assurances	<b>Thematic Boards &amp; HoED (including LA Leads)</b> Review and Assess SOC submissions and make recommendations	Governments attending in Observational role
	30 <sup>th</sup> March Finance Directors Group Scrutiny of Assurances		Governments Attending in Observational role
April		13 <sup>th</sup> April Management Group Panel to Review Project SOC's	Governments attending in Observational role
		15 <sup>th</sup> April Finance Directors Group Panel Review Project SOC's	Governments Attending in Observational role
May		<b>Follow up SOC meetings</b> with shortlisted Projects, Local Authority Sponsor, Local Authority Finance Director and Thematic Board Chair/Representative	
		<b>18<sup>th</sup> May Joint Review Panel</b> (Management Group and Finance Directors Group) <b>Selection and Recommendation of Projects</b>	Governments Attending in Observational role
<b>Final assurance work on both (i) Existing Programme &amp; (ii) New Projects by Partners</b> to reshape the Programme <b>PMO Draft the key report</b> for the revised Deal Programme for the Partnership to consider and agree for submission to both Governments			
June	<b>w/c 8<sup>th</sup> June Final Draft of Reshaped Programme</b> with supporting documentation for Governments and Ministers		<b>12<sup>th</sup> June</b> Joint Committee Papers sent out
			<b>19<sup>th</sup> June</b> Joint Committee – key report presented to Joint Committee for consideration and approval
July	<b>Submission of Reshaped Programme to Governments</b> The revised Programme and any new Projects identified from Strand 2 will need to seek Ministerial approval. It has been indicated that this would typically take 8 to 12 weeks.		
August	Summer recess June to the end of August may impact Government Civil Servant and Ministerial availability		
September	Final Reshaped Programme prepared and presented to Partners and Joint Committee		<b>11<sup>th</sup> September</b> Joint Committee Papers sent out
			<b>18<sup>th</sup> September</b> Joint Committee

## Appendix 2: New Project SOC Summaries

The information below is drawn from information provided in the SOC applications received. The summaries have been taken from the applications, therefore represent the proposals that each applicant considers to be deliverable. The below summaries do not reflect the opinions or assessments from the Tay Cities Region Deal governance groups or PMO.

### **2 Sisters Food Group Scottish Enterprise – Perth and Kinross Council**

The project seeks £5m from the Tay Cities Region Deal to help unlock a £200m private investment by 2 Sisters Food Group in Perthshire, part of a wider £360m Scotland wide programme. The £5m ask would be made up of £3.75m from the Tay Cities Region Deal and £1.25m from the Tay Cities side package funding. Central to this is a £170m new poultry processing facility at Coupar Angus and £30m of farm investment at Balado.

The new facility will expand capacity, improve efficiency, and support net zero operations, while underpinning rural economies and local supply chains. The requested public investment is critical to securing these outcomes, enabling substantial private sector leverage, protecting a strategic national asset, and delivering long term economic, environmental, and social benefits for the region.

### **Clean Growth Co-Location Programme University of St Andrews – Fife Council**

The Clean Growth Co-Location Programme at Eden Campus is a place based investment designed to support the next stage of clean growth innovation by providing flexible, infrastructure ready space for applied development and early demonstration. Building on previous public and private investment, including Phase 1 of the Power to X facility, it addresses a key gap in the region's innovation ecosystem: the lack of external, real world environments for pilot scale testing and deployment in sectors such as Power to X, carbon capture and sustainable aquaculture. These activities require specialist infrastructure and high upfront investment, which the market is unlikely to deliver without public support.

The Programme seeks £9.887m from the Tay Cities Region Deal to deliver enabling infrastructure, including co location and scaling space, shared Power to X and carbon capture systems, land preparation for aquaculture, smart grid capability, and site resilience works. Together, these will unlock 4,200 sqm of development ready space. Acting as a catalyst for further investment, the project will support up to eight SMEs, advance technologies through mid TRL stages, and safeguard existing assets, with phased delivery aligned to ongoing construction and full operation expected by late 2028.

### **LIVEHOUSE Tay Dundee Investments Ltd – Dundee City Council**

LIVEHOUSE is an indoor events venue in Dundee seeking £15m from the Tay Cities Region Deal as part of a £21.5m project to deliver essential enabling works and transform it into an internationally capable mid-scale venue. The project addresses a clear regional gap—the lack of a 3,500-capacity venue able to host international touring acts, major events and conferences—by upgrading an existing operational asset, thereby reducing cost, risk and delivery time.

The proposed investment will increase capacity to 3,500 attendees and expand the number of viable event days, enabling Dundee to access touring circuits and international conference markets currently out of reach. Forecast annual attendance of 75,000–85,000 visitors will boost city centre activity and generate wider economic benefits. With significant private investment already committed and completion targeted for 2028, the public funding is critical to unlocking the project's full potential and securing its regional economic impact.

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**Montrose Port Offshore Wind Prioritisation Project**  
**Angus Council and Montrose Port Authority (MPA)**

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The Montrose Port Offshore Wind Prioritisation Project is a nationally significant initiative to further develop Montrose Port into a globally competitive hub for offshore wind (Operations and Maintenance) and supply chain. Building on Montrose Port's established role and prior investment, the project responds to growing demand driven by North Sea offshore wind expansion. It will unlock constrained land to deliver new O&M bases, logistics and manufacturing space and supporting infrastructure, addressing key development barriers and timing gaps between site readiness and private investment, and demand from the market.

The project is seeking up to £20m from the Tay Cities Region Deal to enable site optimisation and redevelopment, alongside additional public and private investment. This funding is critical to securing inward investment and maximizing the benefits to Angus and Scotland. The development is expected to deliver significant economic benefits, including hundreds of high value jobs, new operational space, and increased GVA, while strengthening Montrose's role in the offshore renewables sector.

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**Perth Broxden Roundabout Improvement Package**  
**Perth and Kinross Council**

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The project proposes a package of targeted improvements at Broxden Roundabout, one of Scotland's busiest and most strategically important junctions, to address congestion, safety risks and capacity constraints. Handling almost 29,000 vehicles daily and linking key national routes, the scheme includes full signalisation, carriageway widening and dedicated movements to improve traffic flow, journey time reliability and network resilience. It builds on previous Transport Scotland studies and is designed to support wider regional transport and economic development initiatives.

The project is seeking £6m from the Tay Cities Region Deal as part of an estimated £7m total cost, with additional funding from Transport Scotland and Perth & Kinross Council. Public investment is required to address market failure arising from congestion and safety impacts not borne by individual users. The scheme will enhance connectivity, improve safety and support regional growth.

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## Appendix 3: TCRD Commitments<sup>5</sup>

Project/Programme/ Fund	New Jobs	Construction Jobs	Jobs Protected	Leverage & Private Sector Investment	Training Places	Journey Time Savings	Dev. Space Unlocked m <sup>2</sup>	Visitors	Start Ups	SMEs Supported
<b>Existing Deal Programme</b>										
Regional Skills & Employability Development Programme <sup>6</sup>	25				675					3,950
Tay Cities Engineering Partnership	5			£500,000	10		600			20
Growing the Tay Cities Biomedical Cluster	281	156		£119,099,000			5,131			
International Barley Hub	1,838									
Advanced Plant Growth Centre	795									
Angus Fund <sup>7</sup>	100			£38,900,000						
cyberQuarter	500			£5,024,000						
Perth Innovation Highway	465	255	100	£17,242,000						
Eden Campus	200			£110,394,000			16,396			88

<sup>5</sup> Agreed outputs either at Deal Signing, as part of an approved Full Business Case/Business Justification Case or approved Change Request.

<sup>6</sup> Approved Projects: Skills Programme Manager, Digital Skills (Phase 1 & Phase 2), Life Sciences Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech, Supporting SME Skills, Hospitality Skills, Sustainable Construction Skills and Targeting Hidden Talents (Phase 1).

<sup>7</sup> Approved Projects: Mercury Drone Ports

Project/Programme/ Fund	New Jobs	Construction Jobs	Jobs Protected	Leverage & Private Sector Investment	Training Places	Journey Time Savings	Dev. Space Unlocked m <sup>2</sup>	Visitors	Start Ups	SMEs Supported
Stretch Dome Simulator	3									
Regional Culture & Tourism Investment Programme <sup>8</sup>	320			£27,000,000				Stays uplift of 5% spend uplift of £5m		
Pitlochry Festival Theatre	272			£11,280,000			3,731	75,000		
Perth Museum	19.7	20		£15,217,000	51		3,400	216,231		
Innerpefferay Library								10% per year from a baseline of 2,501		
Rural Angus and Rural Perth & Kinross Highspeed Broadband				£3,980,000						
5G Digital Testbeds				£1,200,000						
Perth Broxden Low Carbon Travel Hub	1.5	2.5		£424,000						
Perth Bus & Rail Interchange	5	100			10		245	430		
Dundee Airport Investment (Revenue)			180	£400,000				87,798		
<b>Proposed New Projects</b>										
2 Sisters Food Group		535	890	£103,000,000	99		27,400		5	20

<sup>8</sup> Approved Projects: Hospitalfield and Discovery Point Transformed

Project/Programme/ Fund	New Jobs	Construction Jobs	Jobs Protected	Leverage & Private Sector Investment	Training Places	Journey Time Savings	Dev. Space Unlocked m <sup>2</sup>	Visitors	Start Ups	SMEs Supported
Clean Growth Co- Location Programme	12	118	8	£6,600,000			4,200		2	8
LIVEHOUSE	50	100		£6,500,000	10			75% uplift		600
Montrose Port Offshore Wind Prioritisation Project	950	150		£20,000,000						
Perth Broxden Roundabout Improvement Package		125		£1,000,000		≥15% peak average time saving on worst two approaches in opening year				
<b>Total Outputs (Existing and New)</b>	<b>5,842.2</b>	<b>1,561.5</b>	<b>1,178</b>	<b>£487,760,000</b>	<b>855</b>	<b>0<sup>9</sup></b>	<b>61,103</b>	<b>379,459<sup>10</sup></b>	<b>7</b>	<b>4,598</b>

<sup>9</sup> No total due to Project commitment being an average percentage, please see Perth Broxden Roundabout Improvement Package.

<sup>10</sup> Total does not include Project commitments which are an average percentage, please see LIVEHOUSE, Innerpefferay Library and the Regional Culture and Tourism Investment Programme.

## Appendix 4: Agreed TCRD Output Definitions

Output	Definition
New Jobs	New, FTE, permanent, paid job created as a result of the project, please indicate numbers is with the Project Owner
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 m <sup>2</sup>	Additional space (m2) 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
SMEs Supported	The number of business (with no more than 250 employees) supported by project activity
Private Sector Investment	Funding from non-public sector sources
Leverage	<p>Leverage is defined as any funding/contribution to total project costs excluding Tay Cities Deal funding and unrecoverable VAT.</p> <ul style="list-style-type: none"> <li>a) Funding/Contribution secured from Local Authority partners</li> <li>b) Funding/Contribution from HE/FE partners to the project</li> <li>c) Funding Contribution from Private Sector partners</li> <li>d) Funding/Contribution from any other parties to the project.</li> </ul>



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### **Further Information**

Tay Cities Region Deal website [www.taycities.co.uk](http://www.taycities.co.uk)

Tay Cities Publications, including the Deal Document and regional strategies/plans [www.taycities.co.uk/publications](http://www.taycities.co.uk/publications)

Tay Cities Joint Committee Papers [www.taycities.co.uk/joint-committee](http://www.taycities.co.uk/joint-committee)

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