

ANGUS COUNCIL

POLICY AND RESOURCES COMMITTEE – 4 JUNE 2019

TAY CITIES DEAL

ABSTRACT

This report provides information on progress on Tay Cities Deal as it impacts Angus.

1. BACKGROUND

- 1.1 Heads of Terms for Tay Cities Deal were signed off by both UK and Scottish Governments in November 2018 with a total of £300m being secured for the next 10 – 15 years. An additional £50m was released by Scottish Government in December 2018 and this is to be aligned with Tay Cities Deal but is not dependent on the programme. The bulk of the additional resource will fund the Cross Tay link project put forward by Perth & Kinross Council - £40m, with the remaining £10m identified for the delivery of an Industrial Strategy. The strategy is being developed by Scottish Enterprise on behalf of the Tay Cities Deal partnership.
- 1.2 There is an ambitious programme plan in place that is seeking to have a final business case for the whole Tay Cities Deal programme signed off by both governments by November 2019.
- 1.3 It is anticipated that resources will be released on a flat basis over 10 - 15 years, although this may be subject to change. The first £20m will be available from November 2019 for the financial year 19/20, assuming the final business case for Tay Cities Deal is signed off by both governments in November. We will therefore look to accelerate some projects so as not to lose this opportunity. The majority of the resource is capital.
- 1.4 Governance arrangements have been concluded and agreements regarding funding for the Programme Management Office hosted by Dundee City Council are included with this. A further scheme of delegation to the management group has been prepared and this has been agreed by the management group and will now go to the Joint Committee in June for their consideration.
- 1.5 Outline Business Cases (OBC) and Strategic Outline Cases (SOC) are currently being completed for all projects and programmes named in the Heads of Terms. Scottish and UK Governments stand ready to give us initial feedback.

2. CURRENT POSITION

- 2.1 The aim of Tay Cities is to enable economic growth across the whole of the region. Many of the projects named in the Heads of Terms will be located in a part of the region but have a regional impact in terms of growth and employment opportunities. For example, innovative research based approaches to growth to be led by universities and the James Hutton Institute will likely also have national significance. There are a number of projects that are being taken forward where there is a specific interest for Angus and these are outlined in more detail below.

2.2 Rural Broadband Programme £1m

The OBC has been submitted alongside a request for additional funding. This funding is for wireless digital developments across Angus but there is a potential opportunity to draw down further UK Government resources which is being explored. We will be looking to secure early release of the funding as it is recognised that enhancing rural broadband is paramount.

2.3 The Angus Fund £26.5m

A lot of work has been progressed on this over the last few weeks by a cross council team and Scottish Enterprise. The result is a more strategic approach to where this funding might best link to an approach to Clean Growth in Angus. The approach has been shared with both governments and Tay Cities' partners and met with a very positive response. An SOC was submitted to UK Government on the Angus Fund elements of a wider programme currently entitled "The Mercury Programme" following an event with the private sector, academia and partners held on 24 May 2019.

2.4 Advanced Manufacturing Programme £8m

Scottish Enterprise have submitted the OBC. The intent at this time is to develop a programme for bids to come forward perhaps 3 times over the life of the programme. In the meantime opportunities are being worked up under the banner of 'The Mercury Programme' and are being developed for possible use of some of this resource.

2.5 Industrial Fund £10m

A paper was taken to the Management Group which provides a good audit of what is currently in place. Further work will now take place on aligning the resource to implementation of an Industrial Strategy. Again, aspects of The Mercury Programme may be in scope for this funding.

2.6 Tay Cities Engineering Partnership £2m

The submission of the OBC has been made by Dundee & Angus College. There is potential for early drawdown of funding from Scottish Government on this project. If successful this will provide an enhanced engineering skills lab in Arbroath and a mobile unit for outreach to schools across the Tay Cities region.

2.7 Arbroath Aspiring to Grow £3m

Housing are currently working up an innovative project to try to secure this funding for Angus and Arbroath linked to passive housing aligned to The Mercury Programme.

2.8 Culture & Tourism Programme £27m

The OBC has been submitted. Strategic Outline Cases (SOC) have been updated by the applicants for projects in the original bid. This includes Hospitalfield and Tay Adventures. An assessment panel is being established with an initial meeting taking place on 17th May in order to provide initial feedback to projects.

2.9 Tay Cities Skills & Employability Programme £20m

The OBC for the programme has been submitted, with criteria and scoring now developed. Skills Development Scotland has the lead for the programme. Work on the Shared Apprenticeship project is being progressed so that it is ready when a call for projects comes forward. VAA are working to prepare information with a view to submitting a project focused on care skills t.

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