

Tay Cities Region backed by up to £20 million from UK government to grow its thriving creative tech sector

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Investment will back local talent advancing creative technologies like computer games and virtual reality to drive new products and grow the economy.

- Up to £20 million of UK government funding for Scotland will turbocharge local innovation in the Tay Cities to create jobs and grow the local economy
- Investment in local talent will grow the creative industries across Dundee, Perth and beyond to drive discoveries that benefit Scotland and the wider UK
- Funding comes from £500 million Local Innovation Partnerships Fund, backed by the UK government's record £86 billion R&D settlement

Innovators from the Tay Cities Region who are revolutionising creative technologies from computer games to virtual reality (VR) will be backed by up to £20 million from the UK government - turbocharging the potential of local innovators.

UK Science and Technology Secretary Liz Kendall has today (25 March) confirmed that the Tay Cities Region in Scotland will receive funding from the competitive strand of the UK government's £500 million Local Innovation Partnerships Fund.

This will back the Tay Cities Region - including Angus, Dundee, Fife, and Perth and Kinross - to accelerate the growth of its thriving creative technology sector. As an anchor for this cluster, Dundee's creative and digital industries generated £353 million turnover in 2022.

Spanning video games, design innovations, and emerging technologies like immersive VR, local expertise could bring the experience of a museum tour to life for millions, or transform film sets to digital instead of green screens - opening up new opportunities for businesses and workers in the sector.

This will help fast-track ideas from prototype to market, back collaborative R&D, attract expert talent, and open up clear routes to investment and new markets.

The competition has attracted a high level of interest, with successful places from other UK nations to be confirmed in the coming weeks.

UK Science and Technology Secretary Liz Kendall said:

This is an investment in the skills and talent which have turned the Tay Cities Region into one of the UK's most vibrant tech sectors.

The region's incredible creative industries are already leading the way when it comes to games development and breakthroughs in virtual reality.

This funding will help take that expertise to the next level, helping to create jobs and

growth in Dundee, Perth and beyond. By working with local leaders, researchers, and businesses, we can unleash transformational research and products that improve lives.

UK government Minister for Scotland, Kirsty McNeill said:

Dundee's video games legacy is iconic and this investment will leverage that unique industrial strength to drive breakthroughs in non-entertainment sectors like healthcare, energy, and education. It is a hugely exciting opportunity for all of Scotland.

I am delighted that the Tay Cities Region has been successful in securing funding, which will help the region unlock its full innovation potential.

The UK government is completely focused on driving economic growth, creating jobs and improving lives across Scotland.

The £500 million Local Innovation Partnerships Fund forms part of the government's record £86 billion R&D settlement until 2030. Operated by UK Research and Innovation (UKRI), the Fund supports partnerships between local government, businesses and research organisations to turn existing local research breakthroughs into practical solutions that create jobs and improve people's lives.

Abertay University is leading on the partnership, bringing world-leading expertise in games, virtual production and emerging technologies. Industry support will come from 4J Studios, UK Games Talent and Finance and CodeBase, providing access to growth support and investor networks. Other partners include Creative Scotland, the University of Dundee's Duncan of Jordanstone College of Art and Design and V&A Dundee.

10 regions were earmarked for a share of funding last year from across the 4 nations, including Glasgow City Region, which will target £50 million support to its health & life sciences sector.

The approach builds on the successful Innovation Accelerators programme, which reporting to Innovate UK has shown has already brought in around £240 million of private investment and created hundreds of jobs. Glasgow researchers have been working to spot signs of colon cancer earlier to save lives while Greater Manchester teams are helping detect heart and lung diseases more quickly and cheaply.

Professor Sir Ian Chapman, Chief Executive of UK Research and Innovation (UKRI) said:

UKRI is excited to work with the Tay Cities Region Local Innovation Partnership as they accelerate their plans to spark innovation and drive growth. The region has real strengths in games development and design-led R&D, and we've been proud to support those capabilities over many years.

By building on that strong foundation, this investment will help unlock new opportunities, boost productivity and grow the regional economy. We're looking forward to achieving that together.

Gregor White, Professor of Applied Creativity at Abertay University and Director of CoSTAR Realtime Lab at Dundee's Water's Edge said:

The Tay Cities Region is a hotbed of creativity, design-thinking and innovation and has forged a global reputation not just as the UK's video games capital, but as an international hub for the tech sector.

By aligning next level and future-focused R&D with the existing strengths of the regional and national tech ecosystem, we have a generational opportunity to accelerate economic opportunities in the area and to create new companies, products and services that will have a real impact on people's lives.

Notes to editors

This funding forms part of the record £86 billion R&D settlement until 2030 and represents a key pillar of the government's modern Industrial Strategy, supporting high-growth sectors in every region. For areas ready to unlock their innovation potential, this competition offers a transformative opportunity to secure the partnerships and investment needed to drive growth and improve lives across the country.

10 regions across the UK have already received £360 million backing through the Local Innovation Partnerships Fund. These include 7 innovation hubs in England such as Greater Manchester, West Midlands, and West Yorkshire, alongside Glasgow City Region in Scotland, Cardiff Capital Region in Wales, and an innovation corridor linking Belfast and Derry-Londonderry in Northern Ireland.

The competitive strand of the Local Innovation Partnerships Fund has attracted a high level of interest. We are today confirming the awards we will make in Scotland. Announcements on awards in the other nations of the UK will follow.

The award to Tay Cities Region is for up to £20 million. Final funding will depend on work between UKRI and the local partnership to scope the specific projects they wish to invest in.

<https://www.gov.uk/government/news/tay-cities-region-backed-by-up-to-20-million-from-uk-governme-nt-to-grow-its-thriving-creative-tech-sector>