



---

**REPORT TO: MORAY COUNCIL ON 22 MAY 2024**

**SUBJECT: INFORMATION REPORT: MORAY GROWTH DEAL  
ANNUALREPORT**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 On 6 March 2024 Council considered and approved (para 14 of the minute refers) a draft version of the Moray Growth Deal (MGD) Annual Report, covering the 2023 calendar year.
- 1.2 Delegated authority was given to the Depute Chief Executive (Economy, Environment and Finance) to approve a final iteration. **Appendix 1** tracks changes made to the version presented to Elected Members on 6 March 2024.
- 1.3 This report is submitted to Council in terms of Section (II) (20) of the Council's Scheme of Administration relating to a new policy matter which does not fall within the terms of reference of any Committee.

**2. BACKGROUND**

- 2.1 The production of an annual report is a grant condition associated with funding from the Scottish and UK Governments. This report introduces a final version of the MGD's second annual report, covering the 2023 calendar year.
- 2.2 Since the Council meeting on 6 March 2024, the draft Annual Report document was used as the basis for the Deal's annual conversation with officials from the Scottish and UK Governments.
- 2.3 The Annual Conversation was a constructive day of activity for the Growth Deal and involved:
  - Informal 'showcase' sessions that provided an early sight of applications the Digital Health project is developing along with a visit to sites in Elgin that are due to be regenerated.

- A formal meeting in the afternoon saw officials meet with the Moray Council's Chief Executive, Depute Chief Executive (Economy, Environment and Finance and Growth Deal Senior Responsible Officer), Head of Economic Growth and Development, Chief Financial Officer and the Moray Growth Deal Programme Manager. The discussion reflected on activity progressed during 2023, with a look ahead to what is planned for 2024.

### 3. **NEXT STEPS**

3.1 Following submission to the Council, the intention is that:

- A graphically designed version of the annual report (draft version provided in **Appendix 2**) will be made publicly available through the Council and My Moray websites.
- A press release will be issued to promote key highlights in early June.

### 4. **SUMMARY OF IMPLICATIONS**

#### (a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Moray Growth Deal projects contribute to the Corporate Plan priority of promoting economic development and growth, whilst meeting the LOIP vision of raising aspirations, reducing inequalities in educational attainment, providing access to employment, expanding choices for residents, and improving livelihood and well-being.

#### (b) **Policy and Legal**

Each MGD project has been developed to meet local, regional and national policy agendas in line with legal requirements where relevant.

#### (c) **Financial implications**

The production of the 2023 Moray Growth Deal annual report in itself does not present any financial implications, but it does contain a section relating to the finances of the programme.

With an increasing number of projects either in delivery or in the advanced stages of developing their full business cases, it is expected that during the first half of 24/25 there will be more certainty around the financial profile for the remaining 7 years of the Deal. This in turn will allow Finance to understand cash flow requirements that the Council have committed to cover about the Government funding profile. Specifically, it will determine how much of the £4m currently held in reserves will be required.

The Council's Chief Financial Officer sits on the monthly Moray Growth Deal Programme Board at which a report is submitted for review setting out spend against budget allocation and takes an overview of the financial implications of the Deal for the Council as s95 Officer.

**(d) Risk Implications**

The production of the 2023 Moray Growth Deal annual report in itself does not present any risk implications, but it does reference risks being managed by the Moray Growth Deal PMO that have the potential to affect successful delivery.

Risk is a standing item at monthly Moray Growth Deal Programme Boards and is covered in meetings that the PMO has with each Project Manager.

**(e) Staffing Implications**

None.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

Equalities and socio impact assessments for each project will be updated as part of full business case development and any subsequent, significant change control activity.

**(h) Climate Change and Biodiversity Impacts**

As part of their review process with the Governments, Growth Deal projects need to take account of carbon and environmental considerations in full business cases, with net zero aspirations being integrated into design briefs for new properties.

**(i) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Head of Economic Growth and Development, the Legal Services Manager, the Equal Opportunities Officer the Chief Financial Officer and Democratic Services Manager have been consulted and comments received have been incorporated into the report.

**5. CONCLUSION**

**5.1 This paper provides a final draft of the Moray Growth Deal's 2023 Annual report for the Council to consider and note.**

Author of Report: Michael Kelly Moray Growth Deal Programme Manager

Background Papers:

- a) [Full deal documentation \(December 2021\)](#)
- b) [Approval of procurement requirements prior to the Housing Mix Delivery FBC being approved](#)
- c) [Acquisition of property relating to South Street redevelopment activity \(relating to both the Housing Mix Delivery and Business Enterprise Hub projects\)](#)
- d) Moray Growth Deal 21/22 annual report ([8 March 2023](#) and [24 May 2023](#))
- e) [Approval of MICM FBC](#)
- f) [Approval of Business Enterprise Hub and Housing Mix Delivery FBCs](#)
- g) Moray Growth Deal 2023 annual report ([6 March 2024](#))