



REPORT TO: COMMUNITY PLANNING BOARD 13 SEPTEMBER 2018

SUBJECT: ECONOMIC DEVELOPMENT – UPDATE ON STRATEGIC DEVELOPMENT AT COMMUNITY PLANNING LEVEL

BY: RHONA GUNN, CORPORATE DIRECTOR (ECONOMIC DEVELOPMENT, PLANNING AND INFRASTRUCTURE) and DONNA CHISHOLM, MORAY AREA MANAGER, HIGHLANDS AND ISLANDS ENTERPRISE

1. REASON FOR REPORT

1.1. To provide community planning partners with an overview of strategic developments in economic planning in Moray over the past 12 months.

2. RECOMMENDATION

2.1. That the Community Planning Board considers and notes recent developments.

3. BACKGROUND

3.1. Over the past 12-18 months the primary focus of the board has been on the new Moray 10 Year Plan (LOIP). In addition, as the objectives of the LOIP differ from the previous 10 Year Plan – Moray 2026 – the governance arrangements which underpin the partnership have been under review. As a result, strategic developments concerning the economy which would previously have been reported to the board have been reported to Moray Economic Partnership but not onwards to the board.

3.2. The main developments at a strategic level in this area are threefold:

3.2.1. A review of Moray Economic Strategy (MES) and the governance which supports Moray Economic Partnership (MEP)

3.2.2. A review of employability and creation of a Skills Investment Plan (SIP) for Moray

3.2.3. Development of a Moray Growth Deal

4. REVIEW OF MORAY ECONOMIC STRATEGY

- 4.1 The previous MES was completed in 2012, and a revision was required to reflect future ambitions for the economy across the partnership.
- 4.2 From March 2018 a small working group drawn from the Moray Economic Partnership considered current strengths and challenges in the economy, and took a long-term view on the key issues requiring sustained action over a ten year period. There has been a substantial amount of research and public consultation already undertaken for the Moray Growth Deal, which the working group have drawn upon.
- 4.3 Working in tandem with the SIP, the MES particularly focuses on the business environment, on optimising the conditions for new and young companies to flourish, and for established firms to remain highly competitive. The Growth Deal projects are aligned with the key outcomes identified in the draft strategy.
- 4.4 The MES aims to support well paid jobs in Moray, in industry sectors which are attractive to young people, as well as encouraging greater investment in the existing workforce, as the wider Scottish and UK economy shifts.
- 4.5 There will be a period of consultation on the document over the course of September 2018, with the Moray Economic Partnership considering a draft of the strategy at the end of the month. It is proposed to publish the new strategy by the end of 2018 and to align the governance of the Moray Economic Partnership according to the delivery requirements.

5. REVIEW OF EMPLOYABILITY AND MORAY SIP

- 5.1 During 2017, in part as a result of collaboration in developing the Moray Growth Deal, it became clear that the existing Skills Investment Plan developed by the Skills and Training Group (which reported to Employability Moray) required a refresh. Through funding provided by SDS and the Council, EKOS consultants were engaged to prepare a revised Moray SIP that:
 - Meets the current and future skills needs of local employers and delivers a positive pathway for every young person in Moray;
 - Identifies actions to address potential threats and capitalises on opportunities that enable Moray to realise sustained economic growth, while ensuring that young people have a range of opportunities that encourage them to live, learn and work in Moray
- 5.2 The draft SIP was shared with partners in November 2017 and considered by Moray Economic Partnership and Employability Moray. Work then began to create a detailed Action Plan. Completion of this work has taken longer than it should have and is now anticipated for October 2018. The delays were in part due to changes at Director level in the council and in part due to the number of other demands which partners were facing over this period, including work to support the

other developments described in this report. A copy of the report prepared by EKOS is produced as **App 1**.

- 5.3 Despite delays in completion of the final Action Plan, much of the work set out in earlier drafts has meantime been progressed and it is expected that the final SIP Action Plan will be launched before the end of the year as an essential partner piece to Moray Growth Deal and a revised Moray Economic Strategy. If desired, the final Action Plan can be reported for consideration to the board.

6. MORAY GROWTH DEAL

- 6.1 An update report on the Growth Deal was submitted to the meeting of the board in April 2018. Since that date Strategic Outline Business Cases for each project have been submitted to government advisers and a workshop has been held at which each project was discussed. In addition Moray Business Assembly - a commercial sounding board and advocacy group for the deal - has been established and has met twice. A number of Ministers of both the Scottish and UK Government have visited Moray and added their support for the deal. It is hoped that formal negotiations on Heads of Terms will begin shortly.

7. SUMMARY OF IMPLICATIONS

- 7.1 The progress described in the report has required very significant input and commitment from key partners, with minimal financial support. As the partnership moves from strategic planning to implementation of action plans, that commitment will require cross cutting financial commitment to deliver for Moray, particularly as regards the Growth Deal.

8. CONCLUSION

- 8.1. Over the past two years a major overhaul of Moray's strategic approach to achieving sustainable economic growth has been underway. This level of partnership working and alignment required will lead to greater positive impacts for Moray in future. Partners are asked to note the extent of this work, and to support the next stages of action planning and delivery.

Author of Report: Rhona Gunn and Donna Chisholm

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