Community Planning Board

Thursday, 23 May 2024

NOTICE IS HEREBY GIVEN that a Meeting of the **Community Planning Board** is to be held at **Meeting room, Elgin Fire Station**, on **Thursday, 23 May 2024** at **14:00.**

BUSINESS

Any person attending the meeting who requires access assistance should contact customer services on 01343 563217 in advance of the meeting.

THE MORAY COUNCIL

Community Planning Board

<u>SEDERUNT</u>

Mr Adam Coldwells (Chair)
Councillor Kathleen Robertson (Depute Chair)

Mr George Burgess (Member)
Mr Murray Ferguson (Member)
Chief Superintendent Graeme Mackie (Member)
Mr Grant Moir (Member)
Mr David Reid (Member)
Mr Anthony Standing (Member)
Mrs Susan Webb (Member)
Ms Caroline Webster (Member)
Councillor Juli Harris (Member)
Councillor Sandy Keith (Member)
Councillor Graham Leadbitter (Member)
Councillor Bridget Mustard (Member)
Mr Andrew Anderson (Member)
Mr Roddy Burns (Member)
Councillor Tracy Colyer (Outside Body Appointee)
Councillor Amber Dunbar (Outside Body Appointee)
Mr David Hendry (Outside Body Appointee)

Clerk Name:	Lindsey Robinson
Clerk Telephone:	07966 120593
Clerk Email:	committee.services@moray.gov.uk

MORAY COUNCIL

Minute of Meeting of the Community Planning Board

Thursday, 29 February 2024

Meeting room, Elgin Fire Station,

PRESENT

Mr Roddy Burns, Mr Adam Coldwells, Councillor Amber Dunbar, Councillor Juli Harris, Mr David Hendry, Councillor Sandy Keith, Councillor Graham Leadbitter, Councillor Kathleen Robertson, Mrs Susan Webb

SUBSTITUTES

Fiona Robb (HIE) attended on behalf of David Reid.
Superintendent Graham Smith (Police Scotland) attended on behalf of Chief Superintendent Graeme Mackie.

APOLOGIES

Mr Andrew Anderson, Mr George Burgess, Councillor Tracy Colyer, Mr Murray Ferguson, Chief Superintendent Graeme Mackie, Mr Grant Moir, Councillor Bridget Mustard, Mr David Reid, Mr Anthony Standing, Ms Caroline Webster

IN ATTENDANCE

The Depute Chief Executive (Economy, Environment and Finance); Depute Chief Executive (Education, Communities and Organisational Development); Head of Governance, Strategy and Performance; GIRFEC and Promise Lead Officer; Independent Chair of the Child Protection Committee; Moray Growth Deal Programme Manager; Sport and Culture Service Manager; Lindsey Robinson, Committee Services Officer.

1.   Chair

Mr Adam Coldwells, as Chair of the Community Planning Board, chaired the meeting.

2.   Resolution

The meeting resolved that in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1073, as amended, the public and media representatives be excluded from the meeting for item 11 of business on the grounds that it involves the likely disclosure of exempt information of the class described in the relevant paragraphs of part 1 of Schedule 7A of the Act.

Paragraph Number of the Minute	Paragraph Number of Schedule 7a and Reason
11	6 - Information relating to the financial or business affairs of any particular person(s)

	8&9 - Information on proposed terms and/or expenditure to be incurred by the Authority

3.   Minute of meeting held 8 November 2023

The minute of the meeting of 8 November 2023 was submitted and approved as an accurate record of the meeting.

4.   Joint Inspection Of Services For Children And Young People At Risk Of Harm In Moray

The meeting had before it a report by the Head of Service/Chief Social Worker providing the Board with an overview of the findings from the joint inspection of Children's Services by the Care Inspectorate report that was published on 23 January 2024.

During consideration Councillor Robertson sought clarification on the timescales in recommendation 2.1 (ii).

In response the Independent Chair of the Child Protection Committee advised that it would be circulated to the Chief Officers Group on 1 March 2024, and it would be submitted to the Care Inspectorate by 5 March 2024.

Councillor Leadbitter sought clarification as to whether there was an agreed frequency of reporting back to the Community Planning Board.

In response the Chief Executive advised that he was Chair of the Chief Officer Group and that a frequency would be agreed and fed back to the Board.

Following consideration the Board unanimously agreed:

   i.   to note the overview of the findings from the joint inspection of Children's Services by the Care Inspectorate; and

   ii.   to note the Children's Services Partnership are developing an improvement plan in respect of the findings.

5.   Moray Growth Deal Full Business Case - Manufacturing Innovation Centre for Moray

The meeting had before it a report by the Depute Chief Executive (Economy, Environment and Finance) asking the Board to consider and approve the full business case associated with the Manufacturing Innovation Centre for Moray (MICM) project.

During consideration Councillor Robertson offered her congratulations to the team on their hard work.

Following consideration the Board unanimously agreed:

   i.   to approve the Full Business Case (FBC) in Appendix 1; and

ii.   to delegate authority to the Depute Chief Executive (Economy, Environment and Finance) to make any final changes as required following completion of the Government review process, with a view to agreeing final version of the FBC to progress implementation.

6.   Budget Update

The Chief Executive Moray Council provided a verbal update on the budget agreed by full council on 28 February 2024. He advised that there was a drive to look for savings across partners and the community.

Councillor Robertson, as Council Leader, gave thanks to the elected members for the cross party agreement.

The Chair gave a brief overview of the NHS finances and that the budget would be agreed at the start of April as it will be with the Government in March.

Superintendent Smith advised that Police Scotland were facing similar budget pressures but a positive is that recruitment has restarted, and these new officers will start to be seen during the summer. He stated that although budgets were tight there will be no impact on the service delivery in Moray.

Group Commander Hendry advised that the Scottish Fire and Rescue Service were currently undertaking a strategic review to see where savings can be made, and that engagement will be with the local authority and partners.

Councillor Keith sought clarification on whether there was capacity to work across partners above the day to day.

In response the Chief Executive advised that the investment in workforce planning agreed in the budget would allow for this.

There was agreement that the agenda showed good partnership working with a lot of trust and confidence between partners.

7.   Systems Based Approach to Physical Activity in Moray

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) providing the Board with information on a Systems Based Approach model for physical activity in Moray and requesting partnership support for this approach from the Board.

During consideration Mrs Webb sought clarification as to whether the steering group could be widened to look at tackling obesity and healthy eating.

In response the Sport and Culture Services Manager advised that it could be included but that they would need help from the Board to identify the key individuals who can help make the decisions.

The Chair advised that if there were specific asks that these could be added to the recommendations for agreement.

Councillor Leadbitter further added that 3 political parties were represented on the Board, and they have access to raise the issues with the national parties.

Following consideration the Board unanimously agreed:

i.   to recognise the centrality, importance and contribution that physical activity provides towards the achievement of the Local Outcome Improvement Plan and Community Planning priorities;

ii.   to note the initial discussion undertaken with partner organisations in preparation for the approach in Moray;

iii.   to endorse and agree to support work required to deliver this approach in Moray;

iv.   to receive 6 monthly updates on progress and to champion and challenge this work accordingly;

v.   to help overcome barriers that the steering group are unable to overcome;

vi.   to use external influence to national partners where required; and

vii.   to support in the identification of a steering group comprising of Senior Officers to drive this approach forward.

8.   Health and Transport Partnership Annual Report 2022-2023

The meeting had before it a report by the Health and Transport Action Plan Programme (HTAP) Manager updating the Board members regarding the review of the HTAP and seeking approval of the HTAP Annual Report 2022-23.

During consideration Councillor Dunbar sought clarification as to why NESTRANS was included but HITRANS was not.

In response Mrs Webb advised that she has been asked to be the Chair of this group and will ensure HITRANS is included in any future reports.

Following consideration, the Board unanimously agreed to note the contents of the report and the HTAP Annual Report 2022-23.

9.   Behaviour in Moray Schools

The meeting had before it a report by the Depute Chief Executive (Education, Communities and Organisational Development) advising the Board of escalating behaviours in schools and actions to support staff, pupils and the wider school community as well as ongoing work with partners.

During consideration the Depute Chief Executive (Education, Communities and Organisational Development) advised the Board that the updated report had not been included with the meeting papers but would be circulated afterwards. She further advised that there was an additional recommendation for the Board to consider the request from the Council Education Children's and Leisure Services

Committee to progress this work quickly and for another report to come to the Board in May to include the actions to be taken to address the issues and barriers raised in the report.

Following consideration the Board unanimously agreed:

i.   to acknowledge National work ongoing around increased disruptive behaviour across schools and society;

ii.   to acknowledge and endorse the local approach as set out in Appendix 1;

iii.   that this work will be led in a multi-agency approach with a short, medium to long term action plan; and

iv.   to the request from the Council Education Children's and Leisure Services Committee to progress this work with urgency and require a further report to the CPB in May to include actions to address the issues and barriers in relation to the cross cutting points raised in the report.

10.   AOCB

The Board noted that there were no additional points raised.

11.   Moray Growth Deal Full Business Cases - Business Enterprise Hub and Housing Mix Delivery [Para 6, 8 & 9]

The meeting had before it a report by the depute Chief Executive (Economy, Environment and Finance) asking the Board to consider and approve the full business cases associated with the Business Enterprise Hub and Housing Mix Delivery projects.

Following consideration the Board unanimously agreed:

i.   to approve the Full Business Cases in appendices 1 and 2; and

ii.   to delegate authority to the Depute Chief Executive (Economy, Environment and Finance) to make any final changes as required following completion of the Government review process, with a view to agreeing final versions of the FBCs to progress to implementation.

REPORT TO: COMMUNITY PLANNING BOARD ON 23 MARCH 2024

SUBJECT: MORAY GROWTH DEAL 2023 ANNUAL REPORT

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

1.   REASON FOR REPORT

1.1.   To provide a final version of the Moray Growth Deal's 2023 annual report for consideration by Board members.

2.   RECOMMENDATION

2.1.   **It is recommended that the Community Planning Boardconsiders and approves the 2023 MGD Annual Report as set out in appendix 1.**

3.   BACKGROUND

3.1.   A condition associated with Growth Deal funding is that a report is produced annually providing an overview of work undertaken in the past 12 months, with a forward look at the year ahead.

3.2.   The production of this document is a valuable process as it provides a stock check of the status of Deal activity and sets expectations on what will be achieved during the year ahead. It will also provide the foundation for communications activity on the status of the Deal during June 2024.

4.   GOVERNANCE STEPS TAKEN TO AGREE A FINAL VERSION OF THE REPORT

4.1.   Draft versions of the report were presented to the MGD Programme Board on 25 January and Moray Council on 6 March. Subsequently a final version has been prepared that was approved by the MGD Programme Board on 25 April and a verbal update will be provided at the meeting regarding it's submission to the Moray Council on 22 May.

4.2.   The report was an integral part of the Deal's annual conversation with both Governments on 14 March 2024. Akin to an annual audit, this is an opportunity for Senior Officers from the Council and both Governments to discuss the status of the Deal.

4.3. Alongside the above, the report has been shared with the Moray Economic Partnership.

5. OVERVIEW OF THE 2023 ANNUAL REPORT

5.1. Appendix 1 contains a draft copy of the Moray Growth Deal's 2023 annual report.

5.2. The Growth Deal started 2023 with one of the eight projects in delivery, Digital Health. Bus Revolution received clearance to commence in March 2023, with a further 3 projects gaining approval from the Moray Growth Deal Programme Board for their full business cases in the second half of the year.

5.3. Subsequently during Q4 23/24, 2 of these projects have received clearances from the Moray Council and both Governments to enter delivery: Housing Mix Delivery and the Manufacturing Innovation Centre for Moray (MICM). The third, Business Enterprise Hub, will complete final clearances once a £2m revenue deficit arising from the withdrawal of a philanthropic partner has been resolved.

5.4. Alongside the progression of full business cases, a number of key milestones were achieved during 2023.

Q4 22/23	▪ Bus Revolution project receives Council and Government clearance to enter delivery.
Q1 23/24	▪ Digital Health's Demonstration, Simulation and Environment (DSE) Space opens in UHI-Moray, providing a location for residents, digital developers and health care professionals to collaborate on healthcare digital applications. ▪ Fraser Livingstone Architects appointed to design phase 1 of the Dallas Dhu (Forres) housing masterplan ▪ Enhanced on demand bus services take to the road, rebranded as m.connect.
Q2 23/24	▪ Moray Growth Deal Board approves full business cases for the Business Enterprise Hub, Housing Mix Delivery and MICM projects, enabling them to move to the next stage of scrutiny by Government Policy Advisors and the Moray Council. ▪ Bus Revolution project receives a Ministerial Launch in Aberlour.
Q3 23/24	▪ LDN architects appointed as lead design partner for the redevelopment of Elgin Town Hall as part of the Cultural Quarter project. ▪ Drop in event held regarding regeneration plans for South Street in Elgin, which involves the Business Enterprise Hub and Housing Mix Delivery projects.

5.5. Looking ahead to 2024, the pace of activity will continue to increase, with the investment and associated services becoming more visible to residents and businesses of the region.

Q4 23/24	▪ 4 of the Deal's 8 projects to have entered delivery.
	▪ Planning application for the Business Enterprise Hub on South Street to be submitted.
	▪ Planning applications for Housing Mix Delivery South Street and Dallas Dhu developments to be submitted.
	▪ Design team for Grant Lodge to be appointed.
Q1 24/25	▪ Expansion of Bus Revolution to include the piloting of weekend services.
	▪ Early Years STEM and Cultural Quarter projects to have submitted their full business cases to the Growth Deal Board, with the aim that they enter delivery during Q2 24/25.
Q2 24/25	▪ Launch of EY STEM outreach offer
	▪ Following a delay procuring consultancy support to assist with drafting of the Deal's Benefit Realisation and Monitoring Plan, this work is expected to conclude by Q2 24/25.
Q3 24/25	▪ Phase 1 of the Manufacturing Innovation Centre for Moray (MICM) will open in autumn 2024 at the Forres Enterprise Park.
	▪ (In the assumption planning permission is secured) Construction of the Business Enterprise Hub facility to commence.

5.6.   Whilst positive progress continues to be made, the Deal is currently managing a number of risks and issues. The most significant strategic entries are noted below.

- *Changes to capital and revenue costs:* As project FBCs are developed, Project Managers are adapting to a range of circumstances such as cost inflation from OBC profiles and changing financial conditions within the partners who are both delivering projects and contributing funding. A range of measures will be considered including value engineering construction plans to reduce cost, whilst working to prevent any change in the benefits to be realised and identifying alternative sources of funding.

- *Staff resources available to deliver Bus Revolution:* With increased resources required for key roles, including bus drivers and vehicle technicians, there is a risk that recruitment does not keep up with the numbers needed. This has the potential to either slow down the pace of expansion and affect the operational model of the project. Efforts are being made to make recruitment an ongoing rather than cyclical activity and analysis of the constraints is to be carried out with a view to determining what is within the Council's control to achieve improved outcomes.

- *Workload of key stakeholders:* With a significant number of Growth Deal projects due to scale up during 2024, this has the potential to create demands on a finite number of key stakeholders, some of whom will have interests in multiple projects. Stakeholder identification and mapping will be carried out, with co-ordinated communications and engagement plans to be developed across the programme and projects to ensure any peaks of activity for particular groups are effectively managed.

5.7.   Alongside risks and issues, Moray is faced with a positive opportunity that the Growth Deal and wider Economic Development Team are working to exploit.

During the second half of 2023 the Moray received further economic investment in the form of £18.3m from Levelling Up Fund and £20m from the Long Term Plan for Towns Fund. Work will be delivered during Q4 23/24 to understand the milestones, linkages and resourcing requirements across the three funding programmes and these will then be managed through appropriate governance structures with a view to maximising the benefits to be realised for Moray.

6.   CONCLUSION

6.1.   **This paper introduces a final draft the Moray Growth Deal 2023 Annual Report. The CPB is asked to consider and approve this.**

Author of Report: Michael Kelly, Moray Growth Deal Programme Manager

Background Papers:

Ref: SPMAN-1108985784-960 / SPMAN-1108985784-959

![Moray Growth Deal — Innovation from Tradition]

ANNUAL REPORT 2022/2023

*Cultural Quarter Consultation
at Elgin Library*

Contents

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1. Headline achievements

- Bus Revolution project receives Council and Government clearance to enter delivery.

Q4 22/23

- Digital Health's Demonstration, Simulation and Environment (DSE) Space opens in UHI-Moray, providing a location for residents, digital developers and health care professionals to collaborate on healthcare digital applications.
- Fraser Livingstone Architects appointed to design phase 1 of the Dallas Dhu (Forres) housing masterplan.
- Enhanced on demand bus services take to the road, rebranded as m.connect.

Q1 23/24

Q2 2 3/24

- Moray Growth Deal Board approves full business cases for the Business Enterprise Hub, Housing Mix Delivery and MICM projects, enabling them to move to the next stage of scrutiny by Government Policy Advisors and Moray Council.

- Bus Revolution project receives a Ministerial Launch in Aberlour.

- LDN architects appointed as lead design partner for the redevelopment of Elgin Town Hall as part of the Cultural Quarter project.

Q3 23/24

- Drop-in event held regarding regeneration plans for South Street in Elgin, which involves the Business Enterprise Hub and Housing Mix Delivery projects.

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2 Statement from Moray Council's Growth Deal Lead

Throughout 2023 I've seen first hand the significant amount of work being delivered by Council Officers and partner organisations to progress the Growth Deal. In briefing sessions with fellow Members, MGD Board meetings and in conversations with key officers, I'm excited to see plans start to crystalise for the facilities and services we're working hard to put in place.

The Growth Deal is focusing on key improvements we need to see in Moray, including generating high value skills, growing businesses, driving innovation and making Moray a better place to work, live and visit.

The launch in May 2023 of the enhanced, rebranded m.connect Bus Revolution on demand public transport service presented the first opportunity for many to see how the Deal will help residents and businesses. We're humbled by the response seen so far as passenger numbers currently exceed our targets. This project is critical if we are to achieve our objective of reducing transport barriers to work, education and leisure.

Our 'on the ground' activity will grow significantly during 2024 and I look forward to the opening of the Manufacturing Innovation Centre for Moray (MICM) Hub at the Forres Enterprise Park next autumn in what will be our first direct intervention for businesses.

The target is that at least seven of the eight projects will enter delivery during 2024. This presents a solid foundation to start tracking the benefits Growth Deal activity will deliver for Moray. It will also be important that the team considers how activity interacts with other funding programmes we've been successful in securing during 2023 (£18.3m from the Levelling Up Fund and £20m from the Long Term Plan for Towns Fund), with a view to minimising risks and maximising opportunities to enhance benefits wherever possible.

Cllr Marc Macrae

3 Progress made from Deal signing on 20 December 2021 to the end of 2022

3.1 Programme overview

The Moray Growth Deal was signed on 20 December 2021 by Iain Stewart MP (UK Government), Cllr Graham Leadbitter (Moray Council) and Kate Forbes MSP (Scottish Government).

3.1.1 Summary of what the Deal is working to achieve

Throughout 2023 the Growth Deal Programme Management Office (PMO) worked with each of the eight Project Managers to ensure activity aligns with the four main interventions the programme aims to deliver:

- Retaining and attracting young people / families (16-29 yrs) to live and work in the area
- Addressing occupational segregation and gender inequality in employment, including the significant gender pay gap and under-employment issues for women
- The creation of new high quality jobs in existing sectors and diversify the region's economy into new high value areas
- The creation of opportunities across Moray which help secure the future prosperity of its many communities

A later section of this report will focus on work being progressed to deliver a Benefits Realisation and Monitoring Plan, with the following outcomes expected to be delivered for the region:

Direct and indirect creation of over **3,500 jobs**	**Over 300 new affordable homes** will be constructed
450 of the 3,500 jobs will result directly from Growth Deal projects	**450 businesses** will be supported to scale, increasing Moray's economic productivity by £82m
50,000 more tourists will be attracted to Moray	Creation of new and improved educational, cultural and business innovation facilities

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A very distilled view of the Deal is that the eight main projects are working to make interventions against three main areas of focus:

Generate high value skills	Create high value employment	Make Moray a better place to live and work
MAATIC		Bus Revolution
MICM		Cultural Quarter
Business Enterprise Hub		Housing Mix Delivery
EY STEM		Digital Health

3.1.2 Status of Deal activity

With the Scottish and UK Governments each providing funding of £32.5m over a 10 year period, Deal activity will be delivered in a phased approach up to December 2031. That said, the PMO is working with project teams to create clarity on what each project will deliver for Moray during 2024 , with a view to:

● Defining what the Deal is going to deliver when, where and how.
● Maximise time over the 10 year funding period to make sure work runs as efficiently as possible to limit expenditure peaks over and above Government funding, which the Council committed to when the full deal was agreed in December 2021.

A high level summary of the status of each project is outlined below:

High level phases of the lifecycle of projects:

SOC	OBC	FBC	Delivery	Closure
Strategic outline case	Outline business case	Full business case	Project in delivery	Project complete and being closed

Project	Lifecycle stage				
	SOC	OBC	FBC	Delivery	Closure
Bus Revolution	Complete	Complete	Complete	In delivery	
Business Enterprise (BE) Hub	Complete	Complete	Awaiting approval		
Cultural Quarter	Complete	Complete	Approval expected Q2 24/25		
Digital Health	Complete	Complete	Complete	In delivery	
Early Years (EY) STEM	Complete	Complete	Approval expected Q2 24/25		
Housing Mix Delivery	Complete	Complete	Approval granted Q4 23/24	In delivery	
MAATIC	Complete	Complete	In development		
MICM	Complete	Complete	Approval granted Q4 23/24	In delivery	

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3.1.3 Anticipated geographical spread of benefits

As each project works to either draft their full business case or advances delivery activity, a clearer picture is emerging on the geographical spread of Deal activity throughout Moray. The completion of project monitoring plans and a Benefits Realisation Plan during 2024 will provide finer detail but activity has been grouped into one of two main categories:

Infrastructure (physical or virtual) with a Moray-wide footprint	- Virtual healthcare applications are being developed through the Digital Health project that aim to enable conditions to be managed at home, reducing time spent in clinical settings. - On demand m.connect services will be expanded throughout Moray on a phased basis, breaking down barriers to accessing employment education or leisure. - Through a combination of physical hubs, a mobile solution and outreach activity, STEM learning targeting early years children will be available Moray wide. - Comprising of two phases that will run up to 2031, Housing Mix Delivery will enable the construction of affordable and private homes throughout Moray, making it easier to access homes to help people stay in the region.
Moray-wide service offerings to be established, operated from a centralised facility	- Support to drive growth and innovation in the manufacturing sector through the MICM project that will create a hub at the Forres Enterprise Park. - The construction of a Business Enterprise Hub on South Street in Elgin will help micro and small businesses to grow as well as offering a variety of education and professional learning opportunities. - An aerospace and advanced technology campus will be developed to support learning as well as R&D opportunities not just for residents of Moray, but wider afield.

3.1.4 Synergies between the Growth Deal and other economic development activity being progressed within Moray

The Growth Deal Team is conscious that to create the right environment for success, alongside managing interactions between projects, activity being progressed by other economic development programmes needs to be considered. This is not only to ensure they have no negative impact on Growth Deal objectives and benefits to be realised, but that any positive opportunities to drive efficiency or to create stronger benefits are maximised wherever possible.

At a strategic level, the Moray Growth Deal Programme Board includes representatives from the Scottish and UK Governments, along with the Council's Economic Development Team and Highlands and Islands Enterprise. Collaboration will be essential in understanding the funding landscape and to manage any potential interactions other activity has with Growth Deal activity.

Operationally, the Growth Deal PMO is working to generate clarity on how funding secured for Moray during 2023 (£18.3m from the Levelling Up Fund and £20m from the Long Term Plan for Towns Fund) interacts with planned activity, including the impact on council staff resources, the organisations / companies needed to support the work and the nature of communications planned with key stakeholders including businesses and residents.

m.connect official launch with Neil Gray MSP

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PROJECT UPDATES

3.2.1   Bus Revolution

Value £4.32m
(£4m capital, £322k revenue)

**Current status**
Entered delivery in March 2023, with the first rebranded m.connect on demand services starting in May 2023.

Lead Body
The Moray Council

Project vision
Increase the number of people using public transport to get to and from rural areas for work, education and leisure.

m.connect official launch with Neil Gray MSP

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Project summary

Bus Revolution is an innovative project that aims to increase the number of people using public transport to get to and from rural areas to places of work, education and leisure, providing a step change in availability of public transport right across rural Moray.

The project will provide a flexible demand responsive service, operating when and where needed in an easy-to-use way, utilising app-based technology that will allow journeys to be booked up to one hour before they're needed.

Bus Revolution will receive £4.3m in funding from the Scottish Government. This will be used to cover the capital investment required to:

- Set-up operational systems
- Provide branding and marketing
- Purchase electric vehicles
- Provide associated charging infrastructure to deliver an efficient and robust transport network.

Headline achievements

Since the approval of the Full Business Case in March 2023, the main focus of activity during 2023 has been delivering phase one of the project plan starting in Q1 23/24. Activity completed to date has included the:

- Implementation of a real time booking and management system (Op Porta, Driver app)
- Introducing new operating zone & fares models
- Upgrading electronic ticketing machines (ETM)
- Re-branding vehicles
- Creating a service website
- Production of key policy documents supporting the service
- Development and execution of a marketing and communications campaign

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The first phase of m.connect service enhancements introduced the following additional service provision:

- Timetabled service (309) linking Cullen-Buckie-Keith to the rail network (0515-2030hrs Mon-Fri)
- Enhanced timetable for service 366, linking Aberlour-Archiestown-Elgin (0900-030hrs Mon-Fri)
- m.connect on-demand extended operating hours in Buckie, Keith and Speyside (0630-2030hrs Mon-Fri)

To date, m.connect has shown strong growth, gaining more than 5,000 additional passengers from the same period in 2022. There has also been a shift in how the service is booked, with almost one third of bookings now being made via the m.connect passenger app. To date over 2,000 downloads of the app have been registered through both Google Play and the Apple App Store.

m.connect passenger figures

■ 2022-23 Total Annual Passengers 23-24 Total passenger target
■ 2022-23 &2023-24 Total passengers carries to date (May - January)
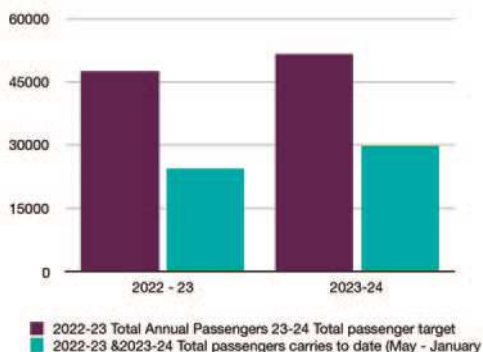
m.connect booking method

7,488

17,047

● Booking requests by telephone
● Booking requests by App
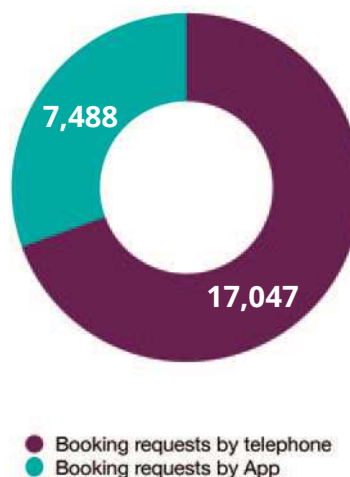
On 28 August 2023, The Scottish Government's Cabinet Secretary for Wellbeing Economy, Fair Work and Energy, Neil Gray MSP, officially launched the m.connect service at Speyside High School. A month later, m.connect was nominated for Scottish Council for Development & Industry (SCDI, now rebranded to 'Prosper') Highlands & Islands Business Excellence Award for Innovation, where the service was awarded second place.

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Key milestones

Q1 24/25	Vehicle & Charge Unit Procurement
Q1 24/25	m.connect pilot of weekend services

Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Actual performance varies negatively from assumptions built into the full business case (passenger numbers, fare income etc).)	If performance is not as hoped, the Council's revenue commitment may need to increase to support the service and capital return on investment calculation may become less favourable.	Early performance has been strong and the project is being proactive in monitoring performance data. Project in-life reviews will take a detailed look at data, providing an opportunity to review the service model or future vision to ensure it remains aligned with capital and revenue budget allocations.
Recruitment of staff (drivers and vehicle technicians) could prevent or limit service expansion plans.	Potential for capacity issues to run services, if drivers are not recruited in sufficient numbers, and maintain vehicles or the cost increases as the work needs to be carried out externally.	Continuous advertising of positions, analysing data from different stages of the process to better understand and mitigate challenges faced. The Team will also work to minimise staff turnover.

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Focus on...efficiency through analysis

One of the major benefits of the new booking and management system supporting m.connect, is access to a range of reporting tools that inform service optimisation recommendations. The recommendations aim to improve service efficiency by monitoring:

1. Who travels and when (known as ridership).
2. The current demand profile by hour of the day (The balance of supply and demand), Inc passenger per vehicle hour metrics (PpVH).
3. Ride sharing and vehicle utilisation.
4. Trip requests by location, success rates and area specific influencers affecting booking success, such as service zone restrictions, vehicle allocation within area and service / driver break periods.

Optimisation sessions are then conducted with the operations team to discuss improvements in service delivery, but also highlight potential deteriorations in other service metrics. These sessions occur every 3 months, allowing suitable monitoring of changes to evidence their impact on the operation. To date, these sessions have improved ride sharing on the service from 42% to 65%, generating an additional 23% seating capacity to accommodate more journeys.

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By way of insight, data from Forres exhibits high demand and has shown considerable unmet demand. In order to meet this demand, recommendations included:

1. Modification of vehicle availability, i.e. extending Vehicle 2's operating hours to match/be similar to Vehicle 1. Unaccepted rides are mainly falling in the period with only 1 vehicle operating.
2. Adding an additional vehicle would be beneficial in Forres, improving access to the service.

Bookings by Status Percentage
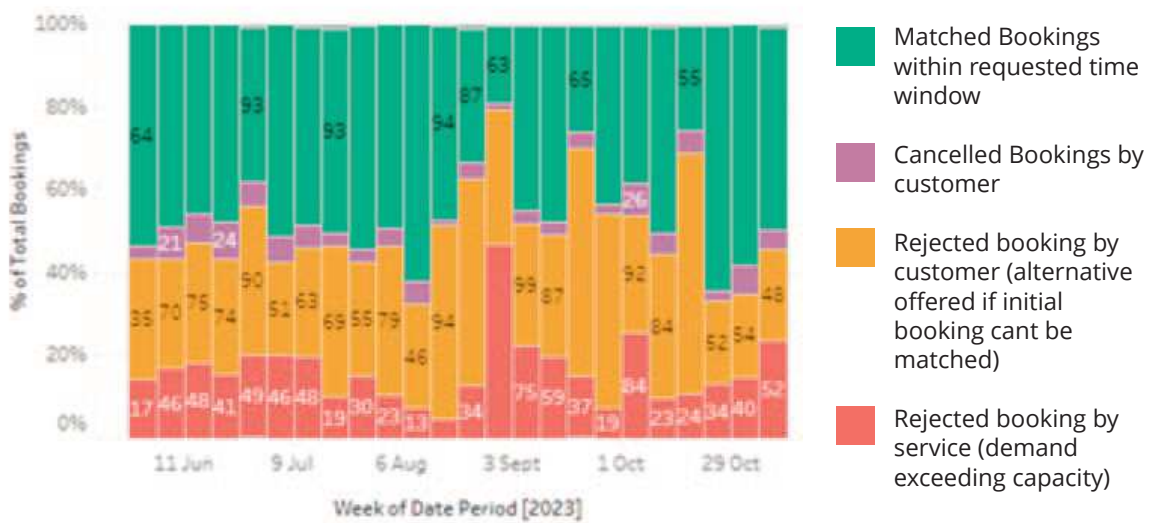
Using the evidence that is being gathered, the team are looking to enhance the service offering further, with key areas of focus including:

1. Private service functions: The ability to add a bespoke route within the operation to accommodate specific needs including education, health & social care, sports groups, after school clubs.
2. Group booking function: Enabling social groups to request services that involve one request for a trip to a common destination but with multiple collections and drop offs.
3. Integrated ticketing: Fares validated on both on-demand and timetable services.

3.2.2 Business Enterprise (BE) Hub

Value £6.3m
(£4.3m capital,
£2m revenue)

Current status
The full business case has been developed and final clearances to enter delivery will be sought once the recently identified revenue shortfall has been addressed

Lead Body
University of Highlands and Islands, Moray College

Project vision
Provision of education, research, and business support functions to support new business start-ups, whilst helping to upscale existing micro businesses.

Project summary

A key characteristic of Moray is that it has over 3,000 small and medium sized enterprises. This represents a considerable growth potential if these businesses can be helped to scale-up. Supporting the upskilling and growth of these businesses, the Business Enterprise Hub (BE Hub) will be a flexible space for business innovation that is accessible to businesses and students alike, providing an inspirational environment that encourages entrepreneurial thinking. Funding for the facility will be provided by the Scottish Government (£3.3m) and Highlands and Islands Enterprise (£1m), with the Scottish Government also provided £2m in revenue to support service delivery.

It will be a productive environment where learning spaces and real work environments coincide, where flexibility of usage allows students, lecturers, researchers, and practitioners to share the same space, and where business support functions can be located with teaching and research skills to develop and support Moray's future entrepreneurs and their workforce.

There are synergies between the BE Hub and other Growth Deal projects including Moray Aerospace, Advanced Technology, and Innovation Campus (MAATIC) and the Manufacturing Innovation Centre for Moray (MICM). Collaboration is ongoing to understand the target audience for each facility and any potential for overlap to ensure they're effectively managed.

Business Enterprise Hub design concept

Headline achievements

- RIBA stage 2 continued through Spring 2023, technical design elements of RIBA stage 3 were included such as electricity and Wi-Fi cabling, plumbing etc. RIBA stage 3 officially launched in November and is ongoing into January/ February 2024.
- MAATIC, MICM and the BE Hub have developed a clear synergies document that will be shared in the appendices of each FBC.
- The Full Business Case (FBC) was developed throughout the year and has been approved by the MGD Programme Board and the Moray Council. Final clearances from the Governments and the UHI Board will be progressed once the recently identified revenue shortfall has been resolved.
- Briefing and consultation sessions have been held with Moray Councillors, UHI Moray staff, Moray Business Assembly, all positively received with clear demand.
- The BE hub forms part of the South Street regeneration project, designs have been exhibited at a public engagement session on 16 December 23 which attracted over 600 visitors.
- Memorandum of Understanding signed with Moray Council in December.

Key milestones

To progress the aims of the project, the following key milestones are identified for 2024. These include milestones for the construction of the facility as well as the Hub's service offering.

Q1 24/25	Full Business Case approved
Q4 23/24	Initial site survey/ exploration
Q4 23/24	RIBA Stage 3+ Design Complete
Q4 23/24	RIBA Stage 3 Design Cost Plan
Q4 23/24	Planning Application
Q4 23/24	RIBA Stage 3 + Tendered Cost
Q4 23/24	BE hub brand development to start
Q4 23/24	RIBA Stage 4 Design Commences
Throughout 2024, but concluding in Q3 24/25	Accredited course proposals/research and innovation programme further developed

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Q1 24/25	Planning Approval
Q1 24/25	RIBA Stage 4 Design Complete
Q2 24/25	RIBA Stage 4 Costs
Q3 24/25	Construction commences

In the expectation that FBC and planning permission approval stages proceed as planned, construction will start in October 2024 and last for approximately 18 months. The Hub "working" model is under development to enable a smooth transition upon building opening/launch with plans in 2024 to develop the BE hub brand. In the background regular project board and stakeholder meetings are ongoing to support the development of the Hub function.

Risks and issues that require management by the project team during 2024

Risk/Issue	Effects	Mitigation
Escalation of build costs	Work to rescope the facility has already taken place to ensure it is delivered within the budget allocation.	Cost mitigation through design specification and realisation of efficiencies due to co-location with a Housing Mix Delivery site.
Revenue shortfall identified	Further work required before the FBC can continue it's assurance journey.	The revenue funding model is being reviewed with a view to lowering the amount required without impacting the service or quality. Alternative revenue solutions are also being explored.
Potential site issues e.g., ground works and protection / integration of existing heritage (as yet unknown)	Could result in delays to construction activity or the need to revise the vision for the site, both of which could affect time, quality, and cost project parameters.	Detailed site survey work to be progressed as soon as possible. Contingency integrated into the budget to offset any potential issues identified.

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Area of focus....emerging RIBA stage 2 design vision for the facility

RIBA Stage 2 was the focus for the first part of the year, feeding into the development of the FBC. Monthly meetings working through design versions were held between UHI Moray, Oberlanders (architects), Robertsons, and Moray Council (design images included below).

The size of building from the original plan has been reduced by one-third to fit the present value of the fixed capital funding allocated, design was critical to ensure the maximisation of space available. Reducing the size does not disadvantage the project, with the change accommodated by adjusting the need from full co-location of public agencies to the hybrid working model now represented in the project. Through developing the designs for RIBA stage 2 costs estimates were prepared to demonstrate the financial sustainability of the BE hub project.

The location of the BE hub will be on South Street in Elgin and will form part of the South Street regeneration project. Over three floors, the hub will be where the Junners Toy Shop previously was. Having a conservationist architect within the team has ensured the building will incorporate some of the original features, such as the scalloped top, as shown in the image below of the front exterior. The glass frontage is important to ensure the building becomes a hub in it's true sense, welcoming and apparent from the exterior.

The hub will have a high profile in the town centre as it's sited near the main UHI Moray campus and the city centre with an aim to make engagement accessible. The hub will provide an inspirational environment, externally and internally and one that really encourages entrepreneurial thinking.

The BE hub will form part of a multi-building site shared with the MGD Housing Mix project. The image above reflects the proposed back exterior to the BE hub including the public realm space, shared with the Housing Mix project, and developed by Moray Council. The back exterior of the hub, also depicting a glass frontage, with the aim again to make engagement activity clearly visible and encouraging.

Business Enterprise Hub design concept

3.2.3 Cultural Quarter

Value £32.3m
(£31.6m capital,
£700k revenue)

Lead Body
The Moray Council

**Current status**
Working to submit project Full Business Case to the MGD Board in late Q4 23/24 with a view to entering delivery by Q2 24/25

Project vision
Investment in key local assets, including the refurbishment of Grant Lodge, the Town Hall, and investment in the region's tourism infrastructure designed to leverage in private sector investment in a new hotel.

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Interior of Grant Lodge

Project summary

The Cultural Quarter project is working to advance the development of inspirational, accessible, public facing cultural attractions in the centre of Elgin. Significant investment is in place from four partners:

● Scottish Government £12.7m
● UK Government £3.5m
● Moray Council £3.9m
● Highlands and Islands Enterprise £2m

Funding will be used to redevelop two important B listed historic buildings in Elgin: Elgin Town Hall (Phase One) and Grant Lodge (Phase Two). Combined, these phases of activity will provide an enhanced cultural offering which increases city centre activities day and night, and highlights the region as an inspirational destination of choice.

Each element will be linked together by improved public spaces and physical connections, creating a vibrant space in the heart of Elgin which supports inclusive economic growth and cultural expansion within the city and wider region. Collectively they'll help to attract and retain talent whilst increasing tourism region wide. Working with key stakeholders throughout Moray, these vibrant new spaces will act as a springboard for cultural place-based regeneration, providing opportunities for local people and visitors alike whilst supporting the creative, heritage and tourism sectors in Moray to collaborate, thrive and grow.

The creation of modern fit for purpose venues and a visible, aspirational cultural centre in Elgin will encourage private sector investment in a new hotel at a complementary site (Phase Three), meeting a longstanding requirement for additional, quality, hotel accommodation in Moray.

Doors Open Day at Grant Lodge

Headline achievements

- Cultural Quarter development workshops and Moray culture & heritage mapping study complete (working with 60+ regional and sectoral partners).
- Specialist economic and cultural consultants EKOS and Creative Services Scotland appointed to update Business Plans for Elgin Town Hall and Grant Lodge, review options for a CQ governance model / operating organisation and update the project impact assessment.
- Cultural Quarter phasing and delivery plan RIBA stage 2 report complete. This presented proposals for how external sites and spaces can be improved and connected to lay the foundations for a successful Cultural Quarter with clear links to the High Street.
- Full fabric condition survey completed for Grant Lodge, including recommendations for conservation standard safeguarding/enabling works and costs.
- LDN Architects appointed as lead consultant in multi-disciplinary design team to progress the plans for a transformed Elgin Town Hall.

Key milestones

Q4 23/24	**Updated business plans, operational models, and Impact assessment for CQ venues**
Q4 23/24	**Capital and transitional programme for Elgin Town Hall confirmed**
Q4 23/24	**Full Business Case submitted to MGD Programme Board**
Q4 23/24	**Grant Lodge design team and cost consultants appointed.**
Q4 23/24	**Elgin Town Hall RIBA stage 2 complete**
Q3 24/25	**Elgin Town Hall works tendered, with updated annex prepared for governance that adds to detail contained within the FBC**
Q2 25/26	**Elgin Town Hall Works start on site**
Q3 25/26	**Grant Lodge works tendered, with updated annex prepared for governance that adds to detail contained within the FBC**
Q4 26/27	**Elgin Town Hall works complete**
TBC - 2027	**Grant Lodge works complete**

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Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Inflation in construction costs means buildings exceed budget allocation.	Impact on deliverability of the project which could in turn affect outcomes and benefits.	- Careful planning to ensure designs deliver objectives - Pursue all additional funding routes - Appoint client-side cost consultant and construction support through HUB North - Engage with contractors early, regular review
The project does not have sufficient resources to manage both the complex capital redevelopment programme and associated business and relationship development required.	Lack of resources leads to project delays with operational/business impacts, inability to appoint the correct professional services leads to capital programme delays and cost increases which may affect ability to deliver full vision.	- Planning to ensure experienced input for each project strand understood - Early and continual engagement with key relevant sectors - Attractive and well-developed briefs which highlight profile and benefits of the CQ - Engagement with Hub North - Continual re-assessment of programme risk and interdependencies across internal and external teams - Share info and learn from other MGD projects.
The project is working to ensure Elgin Town Hall for the Community has options that enable it to operate whilst redevelopment work takes place, but any delays could impact their community and contractual relationships.	Any impact to the sustainability of the charity could negatively affect the project's ability to deliver full project outcome and benefits.	- Sub-group of the Cultural Quarter Project Board established to oversee transitional arrangements - Capital programme to be appraised against Elgin Town Hall programme to limit the loss of significant income generation opportunities - Transition management costs integrated into Cultural Quarter project budgets

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Focus on....LDN Architects appointed to lead transformation of Elgin Town Hall

During 2023 the project team worked closely with Elgin Town Hall for the Community and a wide range of other key stakeholders, from Elgin Community Council to the National Theatre of Scotland, to develop a detailed brief which outlined current building issues and future aspirations clearly.

Following a two-stage public procurement process, which generated 23 notes of interest, LDN impressed the panel with their clear, thoughtful approach, and creative concept designs to come out top from a selection of prestigious practices from across the UK. LDN Architects and a number of consultants within their design team have bases in the north of Scotland including employing new local members of staff specifically to work on this project, assisting the Cultural Quarter in delivering our commitment to Community Wealth Building.

Work is now underway to progress RIBA Stage 2 concept designs in line with the first phased submission of the Cultural Quarter Full Business Case which is due late Q4 23/24 / early Q1 24/25. The proposed redevelopment will overcome limitations of the current building to create a welcoming 21st century performance and community space which builds on the success of the existing venue. Redesign of the building will improve circulation, acoustic separation, environmental performance and add a new multi-use studio space to enhance and widen programming. Updating the already popular Elgin Town Hall will enable the venue and Elgin to take its rightful place as the third major cultural centre in a row of important northern capitals.

Elgin Town Hall aerial view proposal
Picture courtesy of LDN Architects

3.2.4 Digital Health

Value
£5m capital

Lead Body
Rural Centre of Excellence (RCE) for Digital Health and Care Innovation

Current status
Achieved approval for the project Full Business Case in Q3 21/22 and is now in delivery

Project vision
Creation of an anchored demonstration and simulation environment (DSE) and Living Lab testbeds for the Moray region.

Project summary

The Rural Centre for Excellence (RCE) is a complex programme of Research & Development based assets (DSE and R&D infrastructure) in Moray. It links to developing a portfolio of five Living Labs as a vehicle for exploring novel concepts, iterating solutions and evaluating innovations to complex health and care challenges. Since the programme started in late 2021, a number of important key achievements have been realised - particularly over the last 18 months where the RCE innovation team have been mobilised.

At the end of 2023 the project submitted a change request that was approved by the MGD Board seeking to extend the project by a year to May 2026. This is in light of the Rural Centre for Excellence securing a longer term funding agreement from the Scottish Government. The additional time will be used to create a more holistic, connected set of healthcare applications.

The £5m of capital needed for this project is being provided by the UK Government.

One key lesson learned by RCE is that the Moray region and partners were not fully primed to support innovation and digital from the outset. Intensive work is now ongoing with Health and Social Care Moray (H&SCM) and the wider community to support them in developing capacity and aligning with their strategic priorities. There is a notable commitment from H&SCM, who has recently included the Living Lab themes in their long-term strategic planning. In common with social care capacity across the UK, pressures in this sector does constrain ability to engage and deliver at pace. The digital health initiative funded by the Moray Growth Deal is an opportune investment to support R&D and sector-wide innovation (which is likely to increase productivity).

Strategic Landscape

The health and care sector continues to face challenges as increasing demand for services exceeds the ability of services to accommodate this. That said, the innovation landscape in the UK is experiencing significant momentum with various initiatives underway to harness technology, data and collaborative efforts to enhance healthcare delivery. The main trends to note are:

1. Increasing technology integration to bring digital health solutions into healthcare systems and provide more personalised care.
2. Data utilisation efforts to leverage vast amounts of data to explore ways to identify trends, predict changes, personalise care and optimise resource allocation via data-driven approaches.
3. Focus on prevention and well-being: There is a growing shift toward preventative care and holistic well-being. Initiatives aimed at promoting healthy lifestyles, mental health support, and early intervention to prevent chronic conditions are gaining traction.

The landscape in the health and care sector is ever evolving. Advancements in technology, changes in policy, and societal needs continue to shape the direction of innovation in the UK, against an uncertain funding backdrop.

Headline achievements

Living Labs
- During 2024,Living Lab 1 (Supported Self-Management) will progress through it's development phase and into testing.
- Living Lab 3 (Care in Place) has progressed significantly over the last year, with two key assets (both fundamental to the full RCE infrastructure) developed, and the user testing phase nearing completion. The first asset to emerge for this living lab is the Community Connections @Moray platform and is the spotlight focus in this year's report. The second asset is the creation of a Personal Data Store (PDS). The scope of the work is around integrated care, and looking at equipping citizens with a Personal Data Store that allows them to keep a copy of their data online and take it with them as they move between different health, care, third sector and independent organisations. It will also potentially contain information from health professionals, making it easier for them to understand the healthcare journey of patients.
- Living Lab 2 (Long Term Condition Co-Management) NHS pathway was activated in 2023, as definition and initiation workshops highlighted a need to find digital solutions to support access deprivation and the sustainability of a clinical service to support those with a type 2 diabetes diagnosis.
- Living Lab 2 (Long Term Condition Co-Management) community pathway was also activated and workshops took place with the Occupational Therapy (OT) service to develop a call to industry to develop digital solutions to improve access to the service and reduce waiting times.
- Significant re-scoping for Living Lab 4 (Smart Housing/Smart Communities) and Living Lab 5 (Mental Wellbeing) with realignment of the site from Dallas Dhu to Leanchoil Trust in partnership with the Housing Mix project.

- Developing key enabling R&D digital infrastructure to allow the work to take place.
- Progressing information governance and EQIA assessments.

Skills
- A skills grant was awarded to UHI Moray to develop an online learning module "Digital Essentials for Carers" comprising four short units – learners receive a digital 'badge' on completion of each unit and a digital certificate to confirm completion of the overall module, which can support the Continuous Professional Development (CPD) of paid staff.
- SkillsFest event took place at UHI Moray in November 2023 - the key focus of this R&D skills-related gathering was to share the RCE skills work and outline how innovation assets and strengthening the skills and education pathway can enable the region to become more attractive, increasing the skills across the system.
- Curating skills and activities that support capability and capacity building for the ecosystem that will need to understand how to innovate and use digital tools (e.g., Micro credentials and upskilling out-reach activities).

Procurement
- Dynamic Purchasing System (DPS) was activated as the innovative procurement vehicle for RCE calls to industry.

Comms and Engagement
- The Demonstration and Simulation Environment (DSE) was set up and launched early in 2023. A launch event was held in April to mark the occasion, with a closed session in the morning with invited delegates and an open session in the afternoon for the general public to experience the DSE.
- Procurement of a collaboration platform to support the Digital Innovation Hub and Citizen Panel activities for the RCE project.
- Developing a network of stakeholders and a strong project board including sub working groups aligned to thematic areas (e.g. skills, sustainability).
- Developing international opportunities and hosting international visitors at the DSE in Moray.
- Reaching over 300 participants locally, over 60 registered for the RCE citizen panel.

Evaluation
- Strategic Evaluation Partner contract was successfully appointed to University of Highlands and Islands with the draft evaluation framework being developed.

Sustainability and inward investment
- RCE Sustainability working group was set up and an outline sustainability plan has been developed by the Commercial Innovation Lead.
- Supported bid-development in the region including a successful community research network funded through UKRI and further digital inclusion funding from SCVO.

Strategic
- Internal audit completed in December 2023 with positive feedback received.

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Key milestones

Q1 24/25	**Living Lab 1 and 3 to move to real world evidence stage**
Q1 24/25	**Development activity for living lab 2 to commence for community supported diabetes pathway**
Q1 24/25	**Invitation to tender launched via the DPS for Occupational Therapy Service support (living lab 2)**
Q1 24/25	**Living labs 4 and 5 to commence**

Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Ability for key local and regional stakeholders to support project innovation activity.	Has the potential to cause slower uptake in support for the project which may cause delays in reaching milestones.	● Change request approved during Q4 23/24 that extends project into 2026. Provides more time for the project to develop effective relationships with all partners to secure the necessary support to complete deliverables.

Focus on....Community Connections app development under living lab 3 (Care in Place)

Throughout the RCE project and broader DHI engagement, it has been repeatedly highlighted by citizens and professionals that there is a need for better access to information and services with a reduced need for the user to re-tell their story. The Care in Place project team with broad stakeholder representation, have iteratively codesigned the 'Community Connections @Moray' (CCM) platform to offer this in a one stop shop.

With an initial focus on unpaid carer need, the CCM platform provides information for both the cared for, and the unpaid carer, through a holistic, verified and filterable directory of community, third sector, health and care services and resources. The primary aim is to support self-management and enable access to the right information at the right time, with sign posting and soft referral where appropriate. By registering with a name and email address, users will also have access to an 'about me' section where they can record their own journey and personally significant information for automated re-use in referral to a selection of community services.

This platform has been developed throughout 2023 and will be tested in the Forres and Lossiemouth areas in 2024, along with the Personal Data Store. As a core infrastructure asset for the RCE, this platform will continue to grow and develop along with other living lab activity.

3.2.5 Early Years Science, Technology, Engineering and Mathematics (STEM)

Value £6.4m
(£4.8m capital,
£1.575m revenue)

Lead Body
The Moray Council

Current status
Working to submit project Full Business Case to the MGD Board Q4 23/24 FY, with a view to securing clearance to enter delivery by June 2024.

Project vision
To raise the aspirations of children age 3-8 in Science, Technology, Engineering and Maths (STEM)

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Project summary

The Early Years STEM project will see investment of £4.8 million of capital funding from both the Scottish Government and Moray Council. The Scottish Government will commit up to £3.5m and Moray Council £1.3m. Moray Council will meet revenue requirements (£1.575m) that includes operational costs and dedicated staffing provision for the duration of the project.

The nature of work is changing, and where Moray has historically relied upon traditional manufacturing and retail business, in the future there will be more high level, technology based occupations. Creating more appeal for STEM related jobs is important to facilitate the evolution of skills required by the future jobs market, and to ensure Moray is resilient in the future.

Early Years STEM aims to encourage young people to enter into a STEM related career when they leave education and focuses on STEM engagement with children in their early stages of learning (age 3-8). The project develops a STEM learning ecosystem in the Moray area, through the creation of specialist learning environments and experiences, access to training and resources, and the creation of a STEM learning network involving key delivery partners, upskilled staff, volunteers from industry and the wider community.

This innovative development will build on existing educational practices and initiatives, and will create the necessary infrastructure to support a STEM skills pathway from early years through to broad general education and beyond.

The project will invest in state of the art facilities in community settings throughout Moray, each offering a unique experience that can be delivered flexibly across the region, including mobile and outreach offerings. These Hubs will aim to inspire and enhance the STEM learning experience of children and staff through age appropriate, curriculum aligned and industry related STEM experiences, and will offer accessibility to parents, employers and the wider community, thereby allowing inter-generational learning to take place.

The aspiration of this strategy is to close the equity gaps in participation and attainment in STEM, ultimately leading to more young people choosing STEM occupations at a later stage in their lives. ensure they're effectively managed.

Headline achievements

Significant progress has been made during 2023 with the development of infrastructure, operational plans and partnership arrangements.

Sites have been identified for all four STEM centres, with particular focus on planning for the first of these located within Elgin Library. A multi-disciplinary design team led by Moray Council has been appointed and early architectural proposals developed for the Elgin facility. Planning will continue into 2024 as proposals are developed for the satellites sites in Forres and Buckie, as well as a unique outdoor environmental education centre in a central location.

These facilities will be complemented by a robust outreach provision that includes a mobile offer and STEM Lending Resource, delivered in collaboration with UHI Moray's STEM Outreach team and with support from key STEM providers across Moray. UHI Moray's Lend a Lab initiative is now being offered to Moray schools and 2024 will see partners adopt an iterative and collaborative approach to further develop this model and extend the reach of STEM engagements from early years through to primary education.

Proposals are being finalised for inclusion into the Early Years STEM Full Business Case which is on track for submission to the Moray Growth Deal Programme Board early in 2024. Approval of the Full Business Case will secure funding to commence a capital development programme and official launch of the first STEM centre location in August 2025.

Key milestones

As we head towards completion of the Full Business Case, 2024 will see significant progress on a number of elements:

Phase 1

Q1 24/25	**Full Business Case submission**
Q1 24/25	**Staff recruitment and curriculum development**
Q2 24/25	**Official launch of STEM outreach offer**
Q2 24/25	**Design phase RIBA 3-4 incorporating exhibition and interpretation**
Q3 24/25	**Construction contractor appointed**
Q4 24/25	**Vehicle and equipment purchase**
Q1 25/26	**Construction and fit out works complete**
Q2 25/26	**Official launch of Elgin STEM Centre and mobile offer**

Phase 2

Q1 24/25	**Development of proposals and partner agreements**
Q4 24/25	**Creation of development plans, budgets and architectural drawings.**
Q4 24/25	**Public consultation**
Q2 25/26	**Site acquisition, legal processes and planning permissions**
Up to Q1 28/29	**Delivery phase of building works, infrastructure development**
Q2 26/27	**Official launch of Outdoor Environmental Education Centre**
Q2 27/28	**Official Launch of Forres STEM Centre**
Q2 28/29	**Official Launch of Buckie STEM Centre**

Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Rising construction costs and scope change.	Potential to affect the scale and ambition of the project that could affect outcomes and benefits.	• Re-develop existing space to reduce costs. • Experienced architectural team to provide budgets and sound project management. • A phased approach to implementation of facilities that will identify rising costs, capture lessons learned and make early interventions. • Close liaison between teams. • Adopt value engineering approach.
Insufficient operation planning and budgets.	Inability to realise outreach activities.	• Delivery model revised during 2023 to fit the capital and revenue budget available. • Build in elements to the project that will attract future funding opportunities to support core staffing and continued refreshment of the project. • Grow partnerships with other STEM providers. • Develop a delivery network of volunteers and industry ambassadors to ensure the longevity of the project.
No change in community attitudes or regular repeat visitations to STEM centre infrastructure.	Improvements in STEM attainment levels not realised.	• Consultations with education staff, young people and the community throughout the design process to understand need. • Engagement with other STEM providers, partnering and providing a web of joined up inspiring and age appropriate experiences • Identify barriers to participation and seek to remove where possible. • Flexible and dynamic approach to curriculum development and project delivery. • Implement CPD training to benefit all schools through the Associated School Group (ASG) network

Focus on....the project's first hub in Elgin Library

The first phase of the MGD Early Years STEM Project will see development of an Early Years STEM Discovery Centre and Community Learning Hub, hosted within Elgin Library at Cooper Park. The space will serve as a focal point for early years STEM education, delivering interactive learning experiences to Early Learning and Childcare settings, primary schools, and home educators across the region.

The partnership with Elgin Library delivers mutual learning objectives while sharing resources, through co-location, provision of specialist equipment and support from staff.

2023 has seen significant progress planning for this facility.Moray Council's Architect led Design Team have developed proposals to RIBA stage 2 which sees the former drill hall area transformed into an early years interactive learning resource. An exhibition and interpretation design partner is being appointed in January 2024 to fit out the space incorporating bespoke learning equipment and educational programmes. Stakeholder consultation is being planned for 2024 where users of the space will contribute to design plans and support the creation of a state-of-the-art facility that will transform STEM learning in Moray.

The BE hub will form part of a multi-building site shared with the MGD Housing Mix project. The image above reflects the proposed back exterior to the BE hub including the public realm space, shared with the Housing Mix project, and developed by Moray Council. The back exterior of the hub, also depicting a glass frontage, with the aim again to make engagement activity clearly visible and encouraging.

Early Years STEM Discovery Centre and Community Learning Hubdesign concept

3.2.6 Housing Mix Delivery

Value
£7.5m capital

Current status
The full business case was approved during Q4 23/24 and the project has entered delivery.

Lead Body
The Moray Council

Project vision
Stimulating housing development in town centres, unlock constrained sites and promote the integration of pilot exemplar sustainable design and construction techniques.

Project summary

The Housing Mix Delivery is a £7.5m project with a commitment of £5m from the Scottish Government and £2.5m from Moray Council. The project supports the delivery of up to 360 affordable houses and plots; 150 short-term construction jobs annually; stimulates the private housebuilding sector to deliver up to 500 market houses; supports town centre regeneration of brownfield sites; and provision of housing in rural towns and villages.

Headline achievements

- Strategic progress: Full Business Case approved by Moray Growth Deal Programme Board on 29 September 2023.

- South Street, Elgin: Legal agreements signed between partners, site acquisition commenced in November 2023. Design completed to RIBA Stage 2, and RIBA Stage 3 work started in November 2023.

- Dallas Dhu, Forres: Design team was appointed in March 2023. Proposal of Application Notice (PAN) submitted on 16 June 2023 and revised PAN was submitted on 21 November 2023 to include student accommodation.

- Hillside Farm, Dufftown: Design team appointed in June 2023. Community Engagement Events held on 9 August 2023 and 6 December 2023.

- Speyview, Aberlour: Funding package agreed by the Scottish Government More Homes Division to provide additional funding given the Growth Deal investment.

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Key milestones

Q4 23/24	**South Street, Elgin: Submission for planning consent**
Q4 23/24	**Dallas Dhu, Forres: Submission for planning consent**
Q4 23/24	**Hillside Farm, Dufftown: Draft Masterplan to be approved by Council's Planning and Regulatory Services Committee**
Q1 24/25	**Speyview, Aberlour: Funding Agreement to be signed and Growth Deal investment of £700,000 to be spent**
August 2024	**Hillside Farm, Dufftown: Final Masterplan to be approved by Council's Planning and Regulatory Services Committee**

Aerial view of South Street development plans design concept

Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Inflation and construction costs continue to rise.	The project is able to invest in fewer sites throughout Moray as the budget was fixed in 2021 and will not be adjusted for inflation. Whilst this is a risk the project is managing, it is still projected that the expected benefits will be realised.	A cost consultant has been engaged to control the investment costs for each site. Funding from additional sources will be sought.
Inability to attract external sources of funding to support the delivery of the project.	Project scope may need to be changed or the delivery timescales elongated.	The Council is actively exploring external funding options, such as UK Shared Prosperity Fund, Just Transition and UK Government Long Term Plan for Towns.
Activity being progressed by other Growth Deal projects or economic development activity in Moray has a negative impact on HMD.	Potential for other activity to impact the ability for HMD to create the right environment for success with stakeholders and realise all of the benefits sought.	Good working relationships have been established between Growth Deal Project Managers. This is evidenced through constructive collaboration with the Business Enterprise Hub on South Street redevelopment.

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Focus on....South Street (Elgin) regeneration project

This is a partnership project between Moray Council, Moray College UHI and Robertson Property Ltd; and forms part of two Moray Growth Deal projects: Housing Mix Delivery and Business Enterprise Hub. The overall site comprises five separate ownerships:

- M&Co, 51 South Street (long vacant)
- Elgin Furniture & Carpet Store, 53-55 South Street (operating business)
- Junners, 57-61 South Street (long vacant)
- Jailhouse, 130 High Street (derelict)
- Newmarket Bar, 130 High Street (derelict)

This regeneration project will deliver the Business Enterprise Hub, 38 one and two bed flats and opportunities for 2-3 small retail units.

During 2023 design was progressed to RIBA stage 2 and in November 2023 entered into RIBA Stage 3. Legal agreements were signed by all parties and development agreements have been drafted late 2023. Site assembly started in late 2023 and public engagement event was held on 16 December 2023. A detailed planning application is anticipated to be submitted to the Council during Q4 23/24.
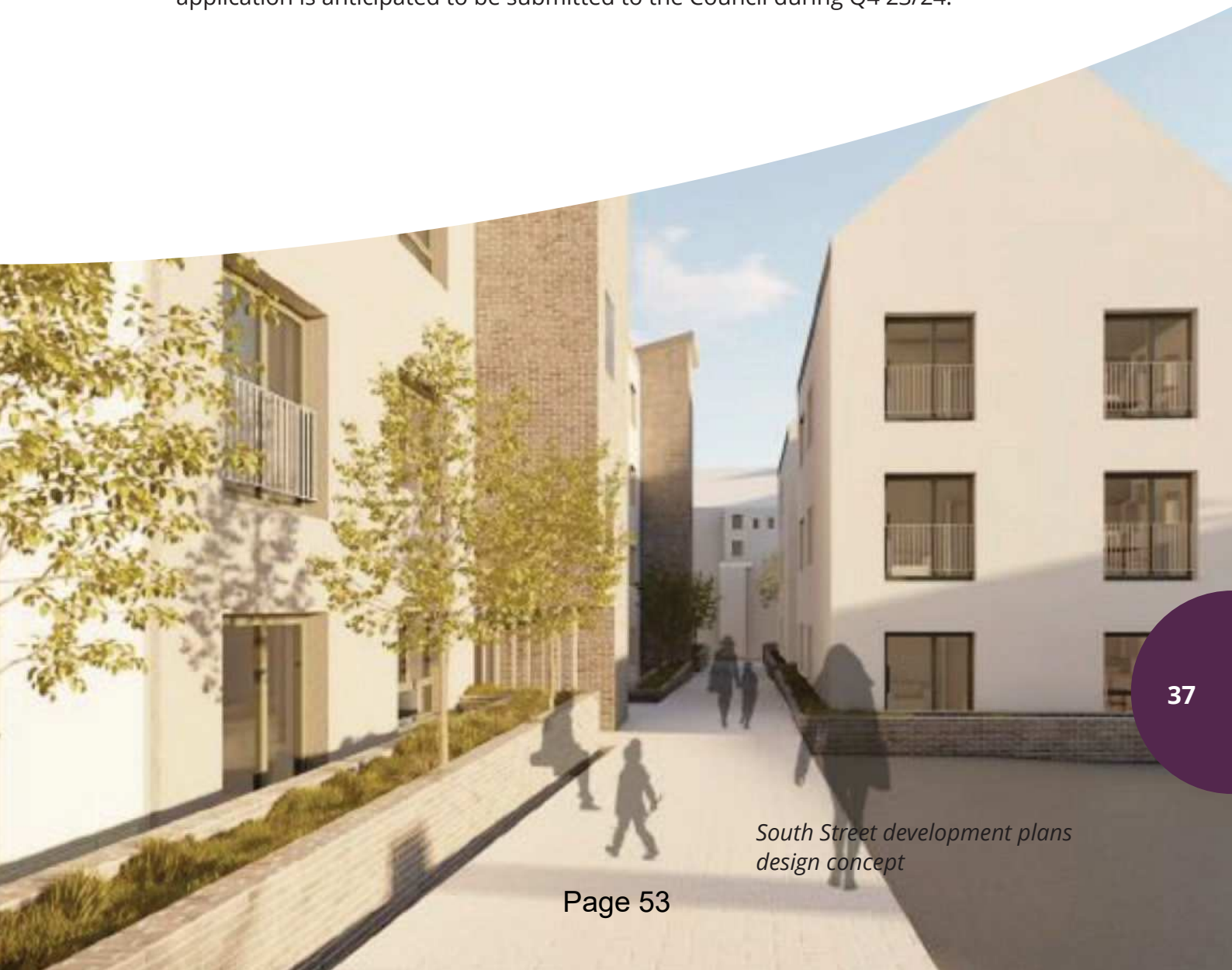
South Street development plans design concept

3.2.7 Moray Aerospace, Advanced Technology and Innovation Campus (MAATIC)

Value
£24.4m capital

Current status
Project under review in light of funding challenges.

Lead Body
UHI (University of Highlands and Islands)

Project vision
A cutting edge commercial and academically supported training and research centre for excellence that will provide advanced skills for the region's industries.

Project summary

This project aims to deliver a once-in-a-generation combination of the Moray Growth Deal, strategic aerospace developments and a partnership with Boeing to provide a genuinely transformational opportunity for the region and its people. Funding for the facility will be provided by the UK Government (£21m) and Highlands and Islands Enterprise (£3m).

Having received an updated and detailed proposal from Boeing in summer 2023, regarding how they will support the MAATIC facility, the project team is working to develop a Full Business Case that focuses on five streams of activity:

1) Boeing /Civil Aviation Authority (CAA) / Air Services Training (AST - Existing skills and training vehicle of UHI Perth) condensed part 66 and type approved training (aerospace and aviation)
2) Immersive training centre for safety critical systems (immersive technologies and synthetic training)
3) Delivery of a suite of integrated programmes of education covering aerospace, aviation, immersive technologies, advanced manufacturing and innovation
4) Centre for research in aerospace and sustainable fuels (aviation, aerospace and innovation)
5) Innovation and development space

The MAATIC building itself will house commercial and academic leading-edge research on these emerging technologies, will be a training facility to support the skills required to underpin and deliver these technologies. It will have a communal space for the promotion of STEM developments and opportunities to the community and to the next generation of technologists.

Whilst the Business Enterprise Hub, MICM and MAATIC FBCs aim to solve different challenges regarding business growth and skills, there are significant synergies and work has taken place to ensure clarity on the scope of each, areas for potential overlap and how these can be successfully managed.

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Headline achievements

During 2023 the project developed a revised vision for the project that saw a move to focusing on leading edge digital skills for the aerospace industry that is supported by Boeing, the application of digital learning to other safety critical environments and R&D opportunities. With no need for the facility to be located near to a runway, other sites in Moray have been appraised.

A key project USP is a progressive, mutually beneficial relationship with Boeing. Following work to refine the vision for the facility and how Boeing could support this, both parties advanced the development of a formal partnership agreement.

From a resourcing perspective, the pace of progress during 2023 has been affected by staff changes and availability. Steps were taken at the end of 2023 to mitigate this in the future with responsibility for the project moving from UHI-Moray to UHI-Executive Office.

Key milestones

Q4 23/24	UHI to conclude internal review of the project FBC
	Subject to the above, the following steps will be taken to advance the project:
Q4 23/24	● UHI and Boeing to sign a partnership agreement
Q4 23/24	● Resubmission of MAATIC FBC to the MGD Board, with a view to commencing the process to secure Government and Moray Council approval
Q2 24/25	● Government clearance and Council approval to be secured, enabling the project to enter delivery
Q2 24/25	● MAATIC project to enter delivery

Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Issue: The FBC in it's current form cannot be progressed.	Potential for delay and rework.	Close collaboration with key stakeholders.
Risk: Gaps between actual and projected targets around student numbers, research and innovation.	Alters the financial model and potentially the viability of the project as a whole.	Robust planning during the implementation phase and regular reviews of data so the project and Business As Usual teams can take action as needed to realise targets set.
Risk: Delay in site acquisition.	Affects the delivery timescales for the project.	Close collaboration with key stakeholders.
Risk: Increase in capital costs render original plan unaffordable.	Threatens planned redevelopment of site and FBC plans.	Should the revised costs push beyond the budget explore refinements to reduce costs that mean project objectives can still be achieved.

Focus on....creating a digital learning environment for aerospace skills

Throughout 2023 the project worked closely to redefine the vision for the facility in light of the industry moving towards hybrid (virtual and physical) training for aerospace skills. UHI sought to ensure that a multi-dimensional operating and financial model was in place that would mean the continued viability of the campus.

Central to the new vision is the use of augmented, immersive teaching environments for condensed part 66 training. The project will work with Boeing and the Civil Aviation Authority in light of changing regulations to integrate virtual ways of working into teaching.

In creating these teaching environments, the project will look to the academic and R&D opportunities within the facility to include both digital skills and apply the learning environments to other safety critical environments.

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3.2.8 Manufacturing and Innovation Centre for Moray (MICM)

Value £7m
(£5.6m capital,
£1.36m revenue)

Lead Body
Highlands and
Islands Enterprise

Current status
The full business case was approved during Q4 23/24 and the project has entered delivery.

Project vision
A focal point for businesses to learn best practice and collaborate, stimulating the creation of new and growth of existing micro businesses throughout Moray.

Project summary

The key driver for this project is to achieve a grassroots cultural shift in how Moray businesses gain insight into the latest process and production efficiencies that are available, and how they can use them for product and process innovation.

The Manufacturing Innovation Centre for Moray (MICM) will act as a local focal point for business to access best practice and identify how they can collaborate with universities and other research institutes. They'll be quickly supported to access the relevant support from organisations such as Highlands and Islands Enterprise (HIE), National Manufacturing Institute Scotland (NMIS), Scottish Manufacturing Advisory Service (SMAS), Interface (the knowledge connection for business), Business Gateway and other service providers to meet their needs.

The project will receive both capital (£610k from the Scottish Government, £2.4m from the UK Government and £2.5m from Highland and Islands Enterprise) and revenue funding (£1.25m from Highlands and Islands Enterprise).

MICM will provide services that are customised to the needs of rural manufacturing business, it will also act as a vital access point for local businesses to engage with the National Manufacturing Institute for Scotland and other national innovation support services.

The development of the FBC during 2023 has supported our view that, while much has changed since the Moray Growth Deal was developed, the core need to support a vital sector to improve and innovate has not and MICM' s mission is more relevant than it was in 2019.

Headline achievements

Our focus during 2023 has been to develop the Full Business Case and to gain approval for the project to progress.

Key achievements include:

- Development and approval of change request covering the project's location, no longer co-locating with the MAATIC project, but refurbishing existing buildings with some new build construction on the Forres Enterprise Park.
- Whilst the MICM, MAATIC and Business Enterprise Hub projects all tackle different audiences regarding skills and business development, work developed the potential for overlap and synergies with each.
- Development of the project's Full Business Case that was approved by the MGD Board in September 2023.
- Engagement with the Government to enhance the FBC following comments from Policy Advisors.
- Approval of the FBC by HIE Board.

Key milestones

Feb 2024	**Complete design**
March 2024	**Planning approval**
May 2024	**Commence construction**
Autumn 2024	**Key staff recruited**
Autumn 2024	**Complete construction**
Autumn 2024	**Operational stand-up**

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Risks and issues that require management by the project team during 2024

Risk	Effects	Mitigation
Cost inflation affects project affordability.	Compromises what MICM can deliver.	Monitor. Contingency is built into cost model. Construction starts in2024.
Lack of productive engagement with the business community.	Vision for MICM diverges from what the business community would like to see.	Consultation events with the Moray Growth Deal, Business Assembly and Chamber of Commerce, as well as a broader business survey. Ensure involvement with Project Board.
Revenue assumptions are overoptimistic.	Revenue shortfall	Sensitivity analysis in FBC. Develop alternative revenue sources.

Focus on....how the project will support businesses to grow and innovate

The ambition for MICM is to create a grassroots cultural shift in efficiency and innovation for Moray's manufacturing businesses. HIE work with manufacturing businesses across our region to support their development and we see a clear and growing need for local support to access the best practice required to make the leap to the next level.

Some recent examples include:

● A manufacturer developing lighter components using composites is looking for support in development of validation and testing of components from NMIS and the national Lightweight Manufacturing Centre. This will require at least two week's travel to the central belt for key personnel who are currently in the middle of a demanding scale-up project. The company is currently weighing the benefits of continuing with the project. With MICM in place they could access a local venue for both equipment and project support reducing costs and disruption and bringing the test equipment closer to their processes.

● A Caithness based engineering company has been affected by a shortage of skilled labour. Having analysed their manufacturing processes, they believe that automation of their production line might help. With support from HIE, the company attended a demonstration event held in Thurso by the North Lanarkshire SmartHub to explore the use of cobots (collaborative robots) to improve their welding processes. During the event the company met with an equipment vendor and have gone on to develop a project to install and evaluate a small cobot at their Caithness site. The potential prize for the company is an expansion of working hours, reduced order fulfilment times and securing further orders. This is a great example of the type of project that we want MICM to work for Moray businesses – using a centralised hub to provide links and opportunities for SMEs to access best practice in manufacturing and supporting them to evaluate how it could benefit their business.

Cobot

4 Forward look at activity planned for 2024

4.1 Work to get all Growth Deal projects into delivery

The Moray Growth Deal entered 2023 with one project in delivery, Digital Health. This was quickly joined by Bus Revolution that received clearance to enter delivery in March 2023.

Building on this, in the second half of 2023, three project FBCs were developed and submitted for formal review by the Scottish and UK Governments:

- Business Enterprise Hub
- Housing Mix Delivery
- MICM

These documents have been the subject of extensive consultation and received approval from a number of different governance steps.

Project	Pre-submission workshop with the Governments	Project Board approval	First approval to trigger Government review	Second review following Government feedback	Other approvals	Moray Economic Partnership
BE Hub	21 Jun 2023	27 Jul 2023	11 Aug 23	12 Dec 23	26 Jul 23: Moray College Board	14 Dec 23
Housing Mix Delivery	3 Aug 2023	20 Sep 2023	29 Sep 23	12 Dec 23		14 Dec 23
MICM	3 Aug 2023	8 Sep 2023	25 Aug 23	12 Dec 23	31 Oct 23: HIE Board	14 Dec 23

By the end of Q4 23/24, four of the eight Growth Deal projects are in delivery (Housing Mix Delivery and MICM joining Digital Health and Bus Revolution), with the Business Enterprise Hub due to be the fifth once the philanthropic revenue is confirmed. Of the three remaining projects:

- The Cultural Quarter and EY STEM projects are expected to submit their FBCs to the MGD Board during Q4 23/24 and Q1 24/25.
- An FBC has been drafted for MAATIC that is currently being reviewed.

4.2   PMO Milestones to be achieved

During the course of 2024, the Moray Growth Deal PMO is working to achieve a number of key milestones:

Q4 23/24	**Work to understand planning implications (resources, risks, opportunities) associated between the Growth Deal, Levelling Up Fund and the Long Term Plan for Towns fund.**
Q4 23/24	**Deal annual conversation involving senior officers from Moray Council and the Scottish and UK Governments.**
Q4 23/24 or Q1 24/25	**Business Enterprise to enter delivery once revenue budget confirmed.**
Q1 24/25	**2024/25 grant offer letter to be agreed with the Scottish Government, confirming the level of funding to be provided during the financial year.**
Q1 24/25	**Publication of the Deal's 2023 annual report.**
Q2 24/25	**Cultural Quarter and EY STEM project full business cases to be approved and clearance secured to enter delivery.**
Q2s and 3 24/25	**Second tranche of in-life reviews to be scheduled.**

4.3   Factors needing action or future activity could be impacted

There are a number of 'uncertainties' that could have a positive or negative impact on Growth Deal activity that are being managed at both a programme and project level. Key uncertainties include:

- Consideration needs to be given to how Growth Deal activity interacts with projects funded through Levelling Up and the Long Term Plan for Towns Fund to ensure that they complement each other, that there is no overlap and that there are no inadvertent risks created as the work is commissioned.
- With the potential for construction projects associated with the Business Enterprise Hub, Cultural Quarter and Housing Mix Delivery occurring at the same time in Elgin, planning will need to take place with key stakeholders to ensure any potential disruption for the public and businesses is minimised.
- Cost inflation and the affordability of projects remains a potential risk. During 2023 significant work was undertaken by Project Managers to rework aspects of construction plans an operational models to ensure they meet capital and revenue projections. Looking into 2024, the greatest budgetary challenges will be faced by Cultural Quarter's two significant building refurbishments; MAATIC design activity for their campus; and the continued affordability of work by Housing Mix Delivery to increase affordable and private house building rates in Moray.
- At a time when Moray Council and other public organisations are facing significant budgetary challenges, it's important to manage when and how communications related to Growth deal activity are released. This ensures messages about changes to the Council or partner budgets are separate from news about Growth Deal investment.

4.4   Monitoring the benefits to be realised by the Deal

Significant progress has been made to ensure a firm baseline is in place on what benefits and their associated targets will be delivered at both a programme and project level, with a completed Benefits Realisation and Monitoring Plan due to finalised in Q1 24/25. This is a quarter behind original projections, primarily due to procurement delays experienced. Key activity that needs to be completed includes:

- A procurement call for consultancy support to gather evidence for programme level indicators took place during Q3 23/24, however, this was unsuccessful which has delayed the plan. During Q4 23/24 into Q1 24/25 the PMO will work to secure consultancy support to complete this work.
- Work has taken place with projects on the monitoring plans needed as full business cases are developed.
- During Q1 24/25, the PMO will submit a paper to the MGD Programme Board that draws together all of the information above into a Benefits Realisation and Monitoring Plan. This will be include a stock check to make sure the Deal is on track to deliver the outcomes set out when at Full Deal signing in December 2021.

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5. Financial summary

5.1   Funding sources for Deal activity

During 2023 the funding landscape for the Moray Growth Deal remained static, with no changes to the funding agreement in place between the Moray Council and the Scottish and UK Government.

The same capital and revenue profile as reported in the 21/22 annual report remains valid, however, there is the potential for a reduction in the capital cost associated with the MICM project. The profile contained within the financial model of the approved business case, sees capital costs reduce from £6.87m to £5.6m. During 2024 consideration will be given to how this underspend can be reallocated to other Growth Deal activity.

As highlighted in section 4, there is potential that projects such as Cultural Quarter may have difficulties funding the current aspiration and scope within the existing funding , however, work will take place to adjust construction plans and seek other sources of funding.

Grant Lodge survey

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Project	Scottish Government investment (£'000)	UK Government investment (£'000)	Local partner investment (£'000)	Total investment (£'000)
Capital				
Bus Revolution	4,000	-		4,000
BE Hub	3,300	-	1,000	4,300
Cultural Quarter	12,700	3,500	15,400	31,600
Digital Health	-	5,000	-	5,000
Early Years STEM	3,500	-	1,300	4,800
Housing Mix Delivery	5,000	-	2,500	7,500
MAATIC*	-	21,000	3,390	24,390
MICM	750 (610 in project FBC)	3,000 (2,442 in project FBC)	3,140 (2,557 in project FBC)	6,890 (5,609 in project FBC)
TOTAL	**29,250 (reducing to 29,110 due to MICM FBC)**	**32,500 (reducing to 31,942 due to MICM FBC)**	**26,730 (reducing to 26,147 due to MICM FBC)**	**88,480 (reducing to 87,199 due to MICM FBC)**
Revenue				
Bus Revolution	-	-	332	332
BE Hub	2,000	-		2,000
Cultural Quarter			700	700
Early Years STEM	-	-	1,575	1,575
MAATIC*	-	-	-	-
MICM	1,250	-	110	1,360
TOTAL	**3,250**	**-**	**2,707**	**5,957**

* Level of funding expected to be higher due to private benefit in kind contribution and HIE revenue support

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5.2   Funding drawn down from Scottish and UK Governments - Q4 22/23 to Q3 23/24

In line with the conditions associated with Scottish and UK Government funding, projects can only draw down funding once their full business cases have been approved by the MGD Board, both Governments and the Moray Council. During 2023, two projects had reached this stage:

Project	Government investment (£'000)	Draw down (all figures £'000)		
		Previous draw down up to Q2 22/23 inclusive)	Period covered by this annual report (Q4 22/23 to Q3 23/24)	Total draw down to date
Bus Revolution	4,000	0	738	738
Digital Health	5,000	1.505	1,293	2,798
TOTAL	**9,000**	**1,505**	**2,031**	**3,536**

6. 2023 communications activity

May 2023 saw the publication of the 2021/22 Moray Growth Deal Annual Report, alongside a round up of the status of each project. As more projects progressed through their planning and business case stages, activity increased during 2023. This included media releases, social media posts and stories with live streaming from events alongside in-person engagement activity and events, specifically:

Bus Revolution project, m.connect on demand public transport services
The comms and marketing campaign for m.connect started with a driver recruitment campaign in February 2023 and the commencement of services in May. This progressed to full phase one service delivery marketing and official Ministerial launch by August 2023.

The launch involved the unveiling of the first name of one of the electric buses, which was open to all residents in Moray to suggest as part of the engagement campaign, which attracted over 200 entries. Promotion of the services and new developments to the offering, including group bookings, continued throughout the year.

Business Enterprise (BE) Hub
The details of the Business Enterprise Hub were further highlighted in November 2023 as part of the wider promotion of regeneration activity planned for South Street in Elgin. Building on this, a drop-in exhibition was held in December 2023 to explain the vision to local residents attracting over 600 visitors. Planning applications and full business case approval will enable further communications and engagement opportunities to take place in early 2024.

Cultural Quarter
The Cultural Quarter has picked up momentum this year as details were released on the plans for Grant Lodge and investigative works, with updates given online and in person at local events such as Doors Open Day tours in September 2023. A further significant milestone was marked when LDN were appointed as the design team for Elgin Town Hall in November 2023.

Digital Health
Digital Health Innovation launched its Demonstration and Simulation Environment (DSE) Space in April 2023, which propelled the communications and engagement activity into the delivery phase. After the initial launch comms, further in-person engagement was undertaken to encourage residents to join the citizens panel and to highlight work being delivered by the project.

EY STEM
Early Years STEM engagement took place at a number of Local Development Plan events held across Moray during 2023, which included introducing the project to local residents.

Housing Mix Delivery

Updates were provided on the appointment of the design team for the Dallas Dhu phase of the Housing Mix Delivery in April 2023, following community engagement. The progress of activity in Dufftown was shared at drop-in exhibitions and the South Street development was shared as part of drop in session promoting the wider regeneration of this part of Elgin in December 2023.

MAATIC

Due to the nature of negotiations with partners involved and changes being made to the project vision, limited public engagement took place during 2023. Further information will be communicated during 2024, once there is clarity on the vision for this skills intervention project.

MICM

Communications activity has been limited as the project worked to develop their full business case and move away from co-locating with MAATIC to a stand along facility on the Forres Enterprise Park. The project entered delivery in early 2024 and communications are planned as the service hub offering is established in time for it's opening by autumn 2024.

Dufftown Housing Mix Consultation

7. Programme structure and governance structure

7.1   Structure of Moray Growth Deal activity and Officers involved

Following the recruitment of programme and project teams during in the first half of 2022, there has been continuity and stability in the majority of roles during 2023. This has helped maintain the pace of activity and is a contributing factor to the progress that has been made.

The roles that have changed during 2023 include:

- Lynne Owen has joined the Programme Management Office as a Programme Officer

- Allane Hay stepped down as Project Manager of the Business Enterprise Hub following completion of the full business case. Samantha Scott, who had been working with Allane, has now taken up this role.

- The lead body for MAATIC is now the UHI-Executive Office, with a new SRO (Max Brown, Director of Transformation) and PM (Steven Gregg).

Executive oversight of the Moray Growth Deal

- Rhona Gunn, Depute Chief Executive and Moray Growth Deal Senior Responsible Officer (SRO) (Moray Council)

- Jim Grant, Head of Development Services (Moray Council) – day to day oversight

Programme Management Office

- Michael Kelly, Programme Manager (Moray Council)

- Lynne Owen, Programme Officer (Moray Council)

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Project Delivery

Teams in place within different organisations working to deliver the eight projects that make up the Moray Growth Deal.

Bus Revolution
(led by Moray Council)

PM: Stevie Robertson, Senior Project Manager
SRO: Nicola Moss, Head of Environmental and Commercial Services

Business Enterprise Hub
(led by UHI-Moray)

PM: Samantha Scott, BE Hub Project Manager and Deputy Head of Academic Partnerships at UHI-Moray
SRO: David Patterson, UHI-Moray Principal

Cultural Quarter
(led by Moray Council)

PM: Claire English, Senior Project Manager
SRO: Jim Grant, Head of Growth and Development

Digital Health (led by the Digital Health Institute)

PM: Marie Simpson, Programme Manager
SRO: Janette Hughes, Director of Planning and Performance

Early Years STEM
(led by Moray Council)

PM: Sarah Barnes, Senior Project Manager
SRO: Hazel Sly, Early Years Service Manager

Housing Mix Delivery
(led by Moray Council)

PM: Hilda Puskas, Senior Project Manager
SRO: Gary Templeton, Strategic Planning and Development Manager

MAATIC
(led by UHI-Executive Office)

PM: Steven Gregg, Project Manager at UHI Executive Office
SRO: Max Brown, Director of Transformation at UHI Executive Office

MICM (led by HIE)

PM: David Howie, Head of Strategic Projects
SRO: David Reid, Area Manager (Moray)

7.2   Summary of assurance activity progressed during 2023

The Deal has a series of assurance 'gates' in place that, when triggered, require submissions to be made to the MGD Board for approval to progress.

Gate					
A	B	C	D	E	F
Approval of Strategic Outline Case (SOC)	Approval of Outline Business Case (OBC)	Approval of Full Business Case (FBC)	Closure of a project	Change request to previously agreed baseline	In-life review

Gates A-E are project led requests, whereas Gate F is a schedule of in-life reviews initiated by the PMO that allows the MGD Board to take a more in-depth look at projects that are in delivery. During 2023 the MGD Board considered the following assurance activity:

Date	Project	Assurance gate	Description	Status
Jan 2023	DHI	E: Change	A new financial profile for the project was presented in light of a financial underspend in financial year 2022/23.	Decision delayed, more information required
Feb 2023	MICM	E: Change	Due to a lack of certainty on the preferred site for MAATIC and both parties planning to co-locate, request for MICM FBC submission date to be delayed until May 2023.	Approved
Mar 2023	DHI	E: Change	Updated change request submitted following advancement of Q4 spend and the project being able to determine a more accurate profile for 2022/23 spend.	Approved
Mar 2023	BE Hub	E: Change	Request to change the FBC submission date to the MGD Board to June 2023.	Approved
Apr 2023	EY STEM	E: Change	Revised preferred delivery model presented that is affordable within existing capital and revenue budget allocations.	Approved

Date	Project	Assurance gate	Description	Status
Apr 2023	HMD	E: Change	To enable evidence form the Housing Demand and Need Assessment, proposal to adjust the FBC submission date to September 2023.	Approved
May 2023	MICM	E: Change	Request to decouple the project from MAATIC regarding site location, with a view to progressing a preferred location of Forres Enterprise Park. Project also requested an additional 3 months to finalise the FBC.	Approved
Jun 2023	Bus Revolution	E: Change	Proposal to make a small amendment to the financial model, moving £19,3500 that was underspent in financial year 2022/23 into 2023/24.	Approved
Aug 2023	MAATIC	C: FBC approval	Full Business Case (FBC) submitted for approval.	Decision delayed, revised version required following Board comments.
Aug 2023	BE Hub	C: FBC approval	Full Business Case (FBC) submitted for approval.	Approved
Aug 2023	MICM	C: FBC approval	Full Business Case (FBC) submitted for approval.	Approved
Aug 2023	EY STEM	E: Change	Request to change the FBC submission date from October 2023 to January 2024 to align with the delivery of outputs from professional advisors.	Approved

Date	Project	Assurance gate	Description	Status
Sept 2023	CQ	E: Change	Following dialogue with the Governments, proposal presented to take a phased approach to the FBC due to the different construction horizons for Elgin Town Hall and Grant Lodge. FBC submission date changed to March 2024.	Approved
Sept 2023	MAATIC	C: FBC approval	Full Business Case (FBC) submitted for approval.	Approved, but with revisions to be made to the document
Sept 2023	HMD	C: FBC approval	Full Business Case (FBC) submitted for approval.	Approved
Oct 2023	DHI	F: In-life review	In depth review of the project, with a focus on the status of the different living labs.	Approved
Nov 2023	Bus Revolution	F: In-life review	In depth review of the status of the project, with a focus on data from the first six months of m.connect services.	Approved
Dec 2023	DHI	E: Change	In light of the Rural Centre for Excellence securing a longer term funding package from the Scottish Government, request to change the delivery window of the project by one year (to 2026) to realise opportunities associated with the creation of a more integrated digital solutions.	Approved

7.3   Audit activity undertaken during 2023

Building on the scrutiny provided by the MGD Board and establishment of an in-life review process for projects that are in delivery, it's expected that activity will be the subject of periodic audits.

During the term of this report, the following internal audit activity has been progressed:

● Closure of the 2022 Moray Council Internal Audit: Following a 2022 internal audit by Moray Council that rated the project's control of the audit scope as substantial, the Deal was asked to implement five recommendations. Subsequently, a report[1] was presented to the Council's Audit and Scrutiny Committee on 22 November 2023 informing members that all of the recommendations have been successfully closed.

● Digital Health Internal Audit: Scheduled to mark the second anniversary of the project being in delivery, the University of Strathclyde Internal Audit Service undertook an audit of the Digital Health project. The scope focused on internal project controls.

[1] **Closure report on the 2022 MGD Internal Audit** that is available on the Council's website

REPORT TO: COMMUNITY PLANNING BOARD ON Thursday
23 May 2023

SUBJECT: CHILD POVERTY SELF ASSESSMENT

BY: ELIZABETH ROBINSON

1.   REASON FOR REPORT

1.1   The Child Poverty (Scotland) Act 2017 places a duty on local authorities and regional health boards in Scotland to produce annual, joint Local Child Poverty Action Reports (LCPARs) describing ongoing and planned action to tackle child poverty at local level. The Moray Council and NHS Grampian recognise and comply with this requirement, and a Child Poverty Strategic Group is in place to lead on implementation of the plans. Child poverty is also a key priority for the Moray Community Planning Partnership. Despite this, we are still not making a significant impact on child poverty.

2.   RECOMMENDATION

2.1   **It is recommended that the Community Planning Partnership support the undertaking of a self assessment on progress towards tackling child poverty in Moray.**

3.   BACKGROUND

3.1   Under the Child Poverty (Scotland) Act 2017 local authorities and territorial health boards have a duty to produce joint annual local child poverty action reports.

These reports should describe actions taken in the past year – and planned future actions – to tackle child poverty and contribute to national targets to significantly reduce child poverty by 2030. The reporting year begins on the 1st of April and runs to the 31st if March.

The Improvement Service supports the development and implementation of Child Poverty Action Plans and reports, hosting the

National Coordinator for Local Child Poverty Action Reports and the Child Poverty and UNCRC Project Officer. These staff work with local authorities and health boards to support the development of LCPARs by acting as child poverty champions, sharing and promoting good practice, and working to ensure local reports are an effective lever for tackling child poverty in Scotland.

The Improvement Service has developed this Self Assessment tool, which we propose to use to support and enable us as Community Planning Partners to consider our approach to addressing child poverty in Moray. By taking time to reflect on this work and gathering a collective view, we will be well placed to ensure that we are bringing the right people, resources and approach to take this important agenda forward.

The Improvement Service would collate responses and work with the Moray Child Poverty Strategic Group to identify agreed strengths and areas for improvement.

Where this approach has worked most successfully in other areas of Scotland, the Community Planning Partnership has taken a lead in owning and launching the self assessment and supporting action on the resulting recommendations.

4.   SUMMARY OF IMPLICATIONS

The Moray Community Planning Partnership would lead on communications and launching of the self-assessment and agree to receive oversight reports on progress against the recommendations.

5.   CONCLUSION

It is recommended that CPOG approve approaching the CPP with this request.

Author of Report: Elizabeth Robinson
Consultant in Public Health
On behalf of Shelley Taylor, Chair of Moray Child Poverty Strategic Group

Background Papers: A link to the Self Assessment tool is available here:
                                LCPAR Self Assessment 2022 (smartsurvey.co.uk)

Ref:
Designation: Consultant in Public Health   Name: Elizabeth Robinson

Your Moray

REPORT TO: **COMMUNITY PLANNING BOARD 23 MAY 2024**

SUBJECT: **PARTNERSHIP COMMUNITY LEARNING AND DEVELOPMENT PLAN 2024-27**

BY: **DENISE WHITWORTH, DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES & ORGANISATIONAL DEVELOPMENT)**

1.   <u>REASON FOR REPORT</u>

1.1.   To update the Board on the process that the Community Learning and Development (CLD) Strategic Partnership (CLDSP) are going through to meet the Statutory Requirement to produce a new Partnership CLD Plan for Moray and to give partners the opportunity to contribute to the development of the Plan themes.

2.   <u>RECOMMENDATION</u>

2.1   **That partners comment on the suitability of the current themes of the CLD Plan (**1**- Lifelong Learning, 2- Participation & Community Voice, 3- Active Citizens & Community and 4- Workforce Development) and identify any other priorities or cross-cutting themes for consideration in the 2024-27 update**.

3.   <u>BACKGROUND</u>

3.1.   There is a statutory requirement is to produce a three-year Community Learning and Development (CLD) Plan in line with the requirements for Community Learning and Development (Scotland) Regulations 2013 (CLD Regulations). Responsibility for ensuring this is done sits with the local authority with sign off required through the Community Planning Partnership. The plan for 2024-27 is due by 1 September 2024.

3.2.   In December 2023 His Majesties Inspectorate of Education (HMIE) published their findings on a progress visit to look at CLD provision in Moray. The Progress Visit Report confirmed that there is effective leadership of CLD through the partnership approach of the CLDSP and that there is good evidence of impact. The main improvement action was to further enhance links with independent youth organisations, community activists/ organisations and adult learners to help shape the next CLD Plan and to fully capture the impact of wider CLD provision in Moray.

3.3.   In December 2023 the Minister for Higher and Further Education and Veterans announced a national independent review of CLD. This review would be engaging with learners and strategic partners until the end of March 2024 with the intention of reporting back to Ministers in June 2024. The Communities (CLD) service formally responded to the consultation via an online survey and our Adult and Family Learning Team co-ordinated an Adult Learner focus group session with the review team.

3.4.   The timing of the national review is challenging as the statutory requirement on local authorities to produce a CLD Plan by 1st September 2024 remains. The Partnership CLD plan will therefore need to be go to the Community Planning Partnership (CPP) for final approval in August 2024 to meet the deadline. The current Lifelong Learning theme (or its successor) is where partners will have scope to consider how to strategically respond to any recommendations that come out of the Independent Review of CLD

3.5.   New Guidance was issued by the Scottish Government on 26th April 2024 which recognised the challenge in 3.3. The Guidance stated that all previous requirements issued for producing earlier plans remained in place and accepted that new plans would be '*carrying forward much of the content of their existing plans and only reflecting significant changes which have impacted communities and learners'.* The Guidance then states '*Where such an approach is taken, once the independent Review of CLD is published, education authorities are encouraged to consider whether it is appropriate for their area to undertake a more substantial learner and partner consultation and update their plan accordingly…. for the remaining two years of the plan cycle'.*

3.6.   The CLD Strategic Partnership have already been consulting with stakeholders around the current themes as they believe that these are still relevant and consistent with the purpose of CLD – which is in line with the new Guidance issued and referred to in 3.4. The current plan has four themes – Lifelong Learning, Active Citizens, Participation & Community Voice and Workforce Development. The CLDSP are considering whether to merge the Active Citizens and Participation & Community Voice themes in the updated version.

3.7. The Workforce Development priority will remain as this is one of the main themes of the current national CLD Review. Moray is part of the Learn North partnership group of Local Authority and Third Sector learning providers and draws down a small grant from the CLD Standards Council annually. Currently there is a survey across all authorities to ascertain workforce development priorities.

3.8. The Plan also has cross-cutting themes of addressing rurality and poverty; improving mental health and well-being and addressing social isolation. (Appendix 1- Plan on a Page).

3.9. The process of engaging on the new CLD Plan creates a space to identify new or emerging priorities and thus delivers on the HMIE Progress Visit recommendations to widen partnership involvement in producing the new plan. Staff have engaged with third sector partners in settings such as the tsi Moray Join the Dots Conference; the Voluntary Sector Managers Forum; Children and Young People's Forum, Third Sector Development Trust Managers Group and the Fairer Moray Forum Action Group etc. This process will continue alongside an online survey for organisations and a separate one for individuals.

3.10. The Adult and Family Learning team facilitated a very well attended Learner Link-Up event for adult learners which has fed into both the national CLD review and the CLD plan refresh. The Youth Work Network has been meeting again and the partners are working together collectively to identify how best we can work together to support pro-social activities for young people. Third sector and community partners have also shared case studies with the Fairer Moray Forum Action group which will form the third Inequalities in Moray report.

3.11. From the discussions at the CLDSP and with the range of partners in 3.8 and 3.9 there are emerging issues coming through

Themes	Considerations
Youth Work provision & Voice	- More Life Skills and Employability opportunities for young people - More community-based youth work - Need for more social integration and youth work opportunities. - Responding to CLD review
Adult & Family Learning & Voice	- Ability to access more informal Community Based Adult Learning and accredited learning opportunities. - More opportunities to connect with people who are isolated. - CLDSP to look at developing a

Themes	Considerations
	clear pathway for adult learning opportunities in Moray. - Responding to CLD review
Community Development & Voice	- Funding landscape is very unclear for third sector partners. - Third sector partners would like to see continuation of participatory grant making processes. - Increased expectations on volunteers – particularly if public services are reducing.
Workforce partnership provision	- Learn North survey will give indication of priority areas.
Emerging issues	- Lack of affordable activity/meeting spaces in general – including both localities in the LOIP. - Need to recognise climate change as a cross-cutting theme in the new plan alongside the poverty, social isolation and mental health and well-being themes. - Following up on HMI Improvement Actions.

3.12. The Board are asked to comment on the emerging themes and areas that they think should influence and shape the new version of the Plan.

4. **SUMMARY OF IMPLICATIONS**

4.1. There is a statutory requirement to produce a three year Community Learning and Development (CLD) Plan in line with the requirements for Community Learning and Development (Scotland) Regulations 2013 (CLD Regulations). Responsibility for ensuring this is done sits with the local authority with sign off required through the Community Planning Partnership (CPP)

4.2. The current National Review of CLD will only be reporting to the Minister in June 2024 so there is likely to be a lag from that time until any recommendations become policy or strategy. The CLD Plan should be flexible enough to respond to any change of emphasis which comes out of the Review process as outlined in 3.4.

5.   CONCLUSION

5.1   The CLD SP are consulting on the new Partnership CLD Plan and will use the feedback from this process to produce the new Plan in time for the 1st of September publication deadline.

5.2   The current priorities are likely to remain as they capture the core purpose of CLD, but there is scope for other issues to be more prominent within a particular strand or to become a future cross-cutting theme.

5.3   Board members are asked to comment on the suitability of the current themes of the CLD Plan (Lifelong Learning, Participation and Community Voice, Active Citizens and Community and Workforce Development) and identify any other priorities or cross-cutting themes for consideration.

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