

# The Moray **ECONOMIC STRATEGY**



**Final Draft Report**  
June 2011 -2015



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# vision

**Moray is a vibrant 21st century region with a broad business base providing stable well paid employment, and strong communities with a growing population.**

# FOREWORD

"The Moray Economic Strategy has been prepared by the Moray Community Planning Partnership to provide a long term economic diversification strategy for the area. This has been prepared in consultation with the people of Moray, and articulates the ambitions we all hold for the regions future, and all that it may become. This strategy will continuously evolve as the needs of the region and opportunities change over time, but through working together we believe sustainable growth can be achieved to the benefit of every community. We look forward to working with you to achieve this goal."

A handwritten signature in black ink that reads "George McIntyre".

**George McIntyre**

Moray Community Planning Board Chairman





# EXECUTIVE SUMMARY

## Introduction

The Moray economy is characterised as a region with outstanding natural resources, with world renowned brands and a high standard of living. Moray is home to premier food and drink brands providing high end products through internationally recognised companies, alongside many smaller producers serving niche markets across the world. The area also has strong forestry, textile, technology and tourism industries.

A strong engineering and fabrication base which predominantly services the oil and gas and distillation industries lends itself perfectly to development and diversification into the renewable energy supply chains to which there are vast opportunities. Likewise there is an emergent opportunity within the Life Science sector, which will carry renewed focus when the new £6m Moray Life Science Centre is completed.

The Moray economy does however have its weaknesses, such as high reliance on government funded jobs. The demography and economy of Moray are heavily influenced by the two air bases, RAF Kinloss and RAF Lossiemouth. In addition Moray has its own local authority and a major hospital, contributing to the high proportion of public sector employment.

There is also a perceived remoteness in terms of the strategic road and rail network and how these impact on key markets. Higher than average levels of economic activity, employment, self employment and low unemployment mask the effects of out migration.

The Moray Economic Strategy acknowledges these wider challenges and opportunities and looks to address the wider structural imbalances in the economy.

## Ambitions for Moray

The vision for Moray is clear:

The Moray Economic Strategy is structured around delivering actions under the five internationally recognised drivers of competitiveness, which are:

**Moray is a vibrant 21st century region with a broad business base providing stable well paid employment, and strong communities with a growing population.**

<b>People</b>	<b>(Achieve a stable and balanced population)</b>
<b>Business</b>	<b>(Create sustainable economic growth)</b>
<b>Infrastructure</b>	<b>(Build viable and improving services)</b>
<b>Communities</b>	<b>(Create strong and confident communities)</b>
<b>Identity</b>	<b>(Develop Moray's brand and presence)</b>

## Strategic Approach

Creating long term sustainable economic growth in Moray will involve a strategic approach:

- Targeting resources to achieve highest return for Moray's businesses and communities;
- Taking a medium and long term view of decisions and actions that affect the wider Moray economy;
- Transforming the physical infrastructure to enhance Moray's appeal to inward investment and people;
- Capturing a greater share of growing sectors by some bold investments in new assets and people;
- Maximising the resources that can be attracted from national and international sources towards development initiatives in Moray.

## Delivery

The Moray Economic Strategy outlines the short, medium and long term actions needed to develop a sustainable and diversified economy. Achieving sustainable growth will require a range of approaches and interventions by the public sector and the businesses and communities across Moray.

The economic climate requires a short term focus but we must work towards realising the real and substantial opportunities which are facing Moray over the longer term to ensure a successful and competitive region. The following elements are essential to delivery:

- Long term consistent vision;
- Strong, clear, sustainable leadership;
- A clear focus on existing strengths and opportunities;
- Effective prioritisation of the programme of activity;
- Strong communication links between public sector partners, communities and the private sector; and
- Widely owned actions with clear accountability.

Delivery of this ambition will require cooperation from everyone in Moray, and all aspects of our economy. We will also need to look beyond our border for support from national and international bodies, and investment from other parts of the world. In summary, this document encapsulates our shared vision for Moray over the coming years. We believe Moray can become healthier, wealthier, safer and more sustainable. We look forward to your support in making this vision a reality.

# MORAY IN CONTEXT

Moray is located between Aberdeen and Inverness. The main connections between these centres, the A96 and the Inverness-Aberdeen rail line, pass through Moray, providing its main links to the strategic transport network and access to markets in the Central Belt and beyond. Residents in western Moray can commute relatively easily to Inverness and Nairn. Inverness's Dalcross Airport is 18 miles to the west and offers a range of services to UK and Irish locations.

Elgin is Moray's primary centre, with the largest population and business concentration, and the main centre for retail, commercial and leisure provision. Economically, the relationship between Elgin and other Moray towns as well as the economic hubs of Aberdeen and Inverness is critical. There must be mutually supporting roles that complement the special attributes of each location and which enable a diverse economic base to be established serving all of Moray. To varying degrees Forres, Buckie, Keith and Lossiemouth have their own catchments and have secondary retail, commercial and leisure functions. Buckie, Forres and Elgin are the main focal points for industrial, engineering and distribution activity. At present tourism activity is focussed heavily in Speyside although the Moray Coast also has an established sector. Smaller towns and villages have important roles in different parts of the economy, particularly in Speyside where they are the focus of the whisky and tourism sectors and in other areas such as Findhorn, which has developed a distinct role relative in promoting sustainable ways of living, arts and cultural activity.



The strategy acknowledges specific challenges in the Moray economy including:

- Concentration in the food and drink sectors: while it comprises a strong manufacturing sector and some world leading brands, levels of pay are traditionally low.
- A high concentration of employment in the public sector, including defence.
- A relatively low proportion of graduates in the Moray workplace.
- The need for diversification into higher value economic sectors: despite high employment average wage levels some 14% lag behind the rest of Scotland.
- Higher than average levels of economic activity, employment and self employment and low unemployment masked by high levels of outmigration, the population of young people is relatively low and almost three quarters of those brought up in the area leave, often for work or education opportunities elsewhere.
- The labour market is relatively tight: the availability of labour and appropriate skills are critical issues to businesses wishing to expand or locate in an area.
- Employment land availability is limited across all of Moray's key settlements, potentially constraining business expansion and attracting inward investment.
- The visibility and value of Moray's tourism offer: while the appeal of the whisky sector and the area's landscape assets are clear, the sector underperforms. Other aspects of visitor infrastructure, accommodation, food, drink, retail, interpretation and other facilities need to be further developed to raise Moray's visitor profile.
- An increasing outflow of residents' retail and leisure spending to centres neighbouring Moray: investment in retail, leisure and civic infrastructure has not kept pace with Inverness and Aberdeen in particular.
- Perceived remoteness relative to the strategic road and rail network and key markets, and concerns over the capacity of broadband infrastructure.



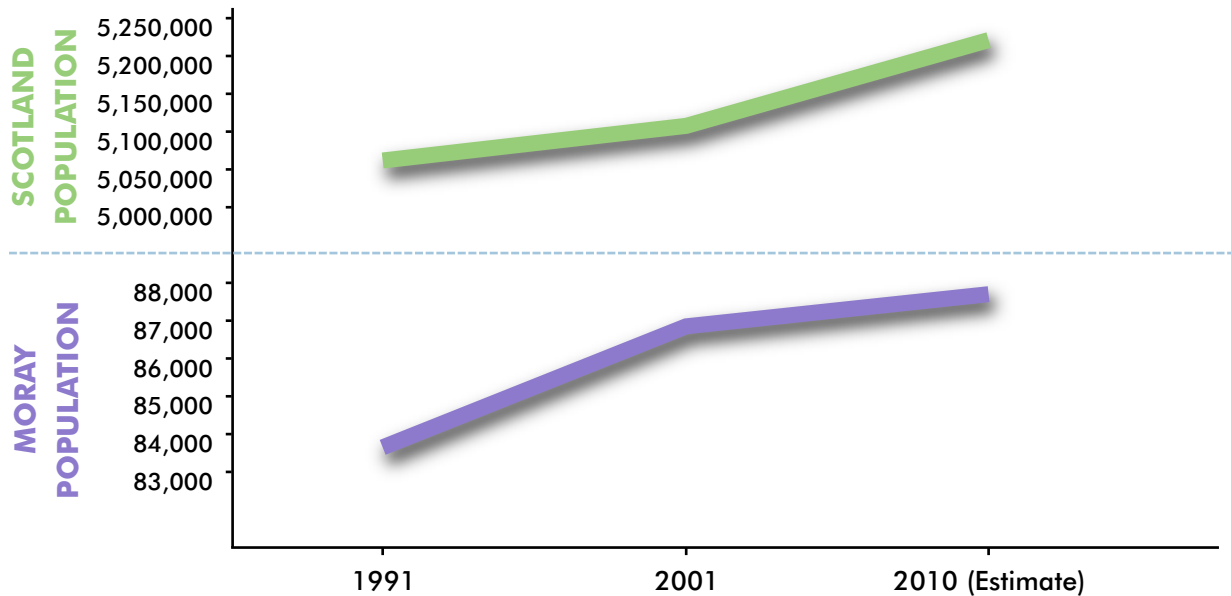
However, Moray has considerable strengths and opportunities with which it can begin to tackle these issues through development of its key sectors:

- World renowned brands in food and drink - Walkers, Baxter's, Speyside whisky and the individual distillers associated with it - as well as the Findhorn Foundation's world-wide profile: the high level of recognition for Moray these afford in external markets can be exploited further.
- Significant natural and industrial tourism assets, and a location in Cairngorms National Park and close to Royal Deeside, provide a firm foundation for Moray tourism to develop as a high profile, high value sector.
- Building on University status and the completion of the Moray Life Science Centre, Moray's education and health resources form a platform for innovation across all of its key sectors. Moray can play a lead role in the development of Scotland's E-health sector.
- The potential offered by the renewable energy and other sectors: as well as a coastal location, Moray benefits from established engineering capacity and expertise; it can support Scotland's development of a world-leading and diversified renewable energy sector.
- Strong indigenous demand in the engineering and manufacturing sectors.
- A well established and developing social economy sector with high levels of engagement which can provide a resource to build capacity in service delivery, and in product and service development in key sectors.
- A high quality of life, with access to high-quality amenities and landscape.
- A strong work ethic.
- The development of close relationships between the public sector and business.



## Population and employment

### Population Trends in Moray 1991 - 2010



In 2010, an estimated 87,700 people were living in Moray, slightly above 1991 and 2001 levels, the increase influenced by: immigration of armed forces personnel and in recent years, migrant workers. Its population structure is similar to other rural areas in Scotland, with a relatively low proportion of people of working age and a higher percentage over the age of 65. While Scotland's population is forecast to increase by some 7% to 2033, lower growth - of nearly 3% - is expected in Moray. Importantly, these are base-case projections, founded on historic figures influenced heavily by the inflow and retention of RAF personnel.

Moray's employment and industrial structure also presents a series of challenges and opportunities.

Accounting for 34% of employment - 3% higher than the Scottish average - public administration, education and health services are particularly significant in Moray and the public sector, including defence and related activity – has a major influence on the economic health of the area.

Moray has developed concentrated activity in particular sectors reflecting available natural and human resources and available markets. It is a focus for the food and drinks industry with several large companies such as Baxter's, Walkers Shortbread, Diageo and other whisky distillers prominent in the area. Forty-eight of Scotland's 106 distilleries are in Moray and the sector as a whole accounts for one quarter of all UK food and drink exports. In addition to investment through purchases of plant, machinery and maintenance, there has been major investment in state-of-the-art distilling facilities at Roseisle. Food and drink manufacturers employ more than 10% of Moray's

workforce and in Speyside, related manufacturing accounts for 49% of employment. Based in and around Buckie, a focussed engineering sector now helps service the needs of the North Sea oil and gas sector, with potential to extend this role as Scotland's renewable energy resources are further exploited. Manufacturing is particularly significant in Moray, supporting 17% of its employment compared with 8% in the Highlands and Islands and across Scotland generally.

The established tourism offers in Speyside and the Moray Coast, and RAF-based contracting in Central Moray support employment in the accommodation, food services and supporting sectors. These sectors account for 7.5% of Moray employment, again higher than Great Britain and Scottish averages. However, average wages in the tourism sector are relatively low.

Tourism in Moray faces various challenges including: a fall in the number of tourists, particularly self catering and day visitors; reductions in the amount of time and money spent in Moray; low levels of investment in the products and infrastructure needed to meet the needs of the modern tourist; a perceived lack of appealing visitor attractions allied with poor roads and limited rail provision; limited quality serviced accommodation, an over reliance on non-discretionary tourism (e.g. business-related stays associated with contract fulfilment etc); and high seasonality, with two thirds of all visitor expenditure taking place between May and September.

Agriculture, forestry, estate management and fishing are all important in the area, although this is not reflected in high employment levels.

However, banking, finance and insurance services are particularly under-represented, accounting for 8% of Moray's employment (compared with 12% across the Highlands and Islands and 19% in Scotland as a whole). Between 2003 and 2008, employment in this sector fell by 7%, with Moray not sharing in the expansion seen elsewhere.

In addition, the proportion of Moray's employment in elementary occupations is high, reflecting the occupational profile of manufacturing businesses. Migrant workers have become an important part of the workforce in the food processing, agricultural and hospitality sectors, and are increasingly regarded as a permanent solution to local labour shortages. The high proportion of workers in skilled trades also shows the importance of manufacturing and construction locally. At the same time, there is relatively low employment in management and professional areas.

The structure of employment, with a large proportion of unskilled and semi-skilled jobs in food processing, limited employment in finance and higher earning sectors, and a high proportion of service sector jobs in tourism, retailing and other areas results in average wage levels which are 13% lower than the Scottish average and 16% below Great Britain levels.

At 85% of the working age population, levels of economic activity in Moray are higher than the Scottish average (80%). Some 10% are self employed, again higher than across Scotland generally. While unemployment is relatively low at 2.6%, it is masked by high levels of outmigration.

Moreover, while high employment and relatively low unemployment are positive features, they present significant challenges to economic growth and diversification. Recent employment creation in Moray has been below regional and national trends during one of the longest periods of post-war economic growth, suggesting the economy lacks a degree of flexibility in responding to new sectors or structural changes. While the area has benefitted from the opportunities provided by the RAF and other major sectors such as food and drink, the scale of the Moray economy's dependence on them may have acted to subdue business and job creation in other sectors.

In developing the Moray economy, this indicates that measures to increase economic activity rates further among the existing population, in combination with initiatives to attract and retain more people in the area would be appropriate.

In moving forward and encouraging new types of sector activity, there will be greater emphasis on flexible and skilled labour. While this is available in the area's traditional industries, it is not necessarily matched to the needs of emerging sectors. As Moray College develops its curriculum and range of activity, its ability to provide courses and work with local employers to develop this capacity locally will be critical.



# REPOSITIONING MORAY'S ECONOMY

The vision for Moray is clear, the Moray Economic Strategy is structured around delivering actions under the five internationally recognised drivers of competitiveness, which are;

<b>People</b>	<b>(Achieve a stable and balanced population)</b>
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## PEOPLE

The strategy aims to develop capacity, skills and flexibility within Moray's workforce to capture the benefits of development of key economic sectors locally. Priorities include:

- Development of a world-class education system at all levels, helping to retain and attract young people to Moray; opportunities to expand and strengthen existing institutes will be realised. New areas of expertise will be developed linked to Moray's development priorities, increasing the wider economic impacts of Moray's education sector.
- Continuing skills development within existing industries, with a clear focus on key sectors.
- Adaptation of existing skills and resources behind the area's economic growth and the needs of key sectors: the skills of RAF personnel and the potential to retain them are an immediate priority.

### KEY ENABLING ACTION: ENCOURAGING POPULATION GROWTH

While The Moray Economic Strategy focuses on key economic sectors, a comprehensive approach is required involving the Community Planning Partners to build the population, particularly that of working age. While the proposed development and expansion in the long term of Moray College and Dr Gray's will provide regional infrastructure which will help to attract and retain people, this needs to be further bolstered by ensuring appropriate, effective and available allocations of housing land; and by encouraging the development of housing across a range of tenures.



Economic diversification will be encouraged through an emphasis on innovation and development in the key sectors of Moray's economy, combined with development of its human and physical assets to encourage the development and attraction of businesses in new and emerging sectors. The Strategy seeks to create a higher volume of higher added value economic activity, increasing Moray's GVA and its contribution to key sector development in Scotland, and increased economic rewards and wages to those working in Moray.

Moray has a strong presence in the traditional sectors of food and drink, agriculture, timber, engineering and tourism and has developed distinctive clusters around them. These will be encouraged to develop further, and innovate new products and services to maintain and develop leading market positions.

Building on its strengths in engineering, education and health, Moray will develop a strong presence in new fields including E-Health and related research. Opportunities in renewable energy generation and related servicing will be captured.

The Strategy aims to develop higher-value added economic activity in all of the key sectors of Moray's economy. This will be witnessed in increased investment, GVA and wages.

### Energy

Some 200 businesses in the renewable energy sector are located in the Highlands and Islands, supporting 600 jobs and generating £15m in GVA. There are a number of 'firsts' in the HIE area, including the Talisman Beatrice Offshore Wind Farm - the first deepwater offshore demonstrator wind farm adjacent to the Beatrice Oil platform in the Moray Firth.

The Moray Firth is a cluster location in the National Renewables Infrastructure Plan. Buckie is identified as a potential location for future activity, presenting a significant opportunity to develop its engineering base, with Moray-based companies potentially well positioned to capture the benefits of future rounds of investment. Buckie may be particularly well suited for Operations and Maintenance functions related to the proposed Moray Firth installations and to offshore facilities further afield. In advance of project consents and future leases, there is a window of opportunity to better position Moray to take advantage through a combination of: site assembly (rationalising underutilised quayside properties, with the disused railway sidings immediately to the south); supply chain development initiatives; training enhancements; and exploring community opportunities for green energy generation.

In the oil and gas sector, numerous engineering and electrical companies in Moray are already part of the sector supply chain. Expanding opportunities offered by the oil and gas sector to the east of Moray should be a focus, as will the inevitable demand for decommissioning facilities.

The transition to a low carbon economy will also create new business opportunities, for example in reducing operating costs and stimulating greater resource efficiency. Moray can continue to play a key role by becoming a centre for expertise for developing and implementing sustainable technologies, building on leading edge activity underway in the whisky, timber and social enterprise sectors. Priorities in this key sector are to:

- Focus on developing infrastructure at key sites to attract business investment and maximise fabrication work.
- Maximise regional supply chain development and associated opportunities.
- Encourage community ownership of renewable energy installations or partnerships between commercial developers and community organisations to maximise local benefits.
- Build on current sustainable technology activity to establish Moray as an important engineering and service location for exploiting nationally significant assets as part of the development of an internationally renowned Low-Carbon region.

### Life Sciences

In the Life Sciences, health service provision in Moray is compact and well integrated between social, primary and secondary healthcare. The completion of the Moray Life Science Centre will be a key building block in the development of a significant new economic cluster. Moray's skills and expertise in E-Health will be fully realised as it develops a lead position in research and related commercial activity in Scotland.

Building on the partnership between NHS Grampian, Moray College and Highlands & Islands Enterprise established to develop the Moray Life Science Centre; there are opportunities to develop a cluster of activity based on Moray's demographic characteristics and the clinical and research expertise in the area, which is complementary to that being developed in Inverness and Oban. Priorities in this key sector are to:

- Encourage Moray's development as a centre for digital healthcare and related research.
- Develop commercial applications within Moray.
- Improve Moray's supporting infrastructure to accommodate the research community: education; health facilities; people; premises and connectivity.

## Food and Drink

Moray has one of the leading positions in Scotland's food and drink sector. While it is an established sector, it is vital that its competitive edge is maintained and honed further through continuing innovation, an emphasis on skills development (both through partnerships between industry and education), and improvements to Moray's profile and strategic accessibility. Priorities in this key sector are to:

- Build on the international success story of global brands such as whisky and quality food manufacturers, capitalising on established exporting activities and seeking out new high value markets.
- Encourage small innovative producers to successfully supply niche markets with growth potential by working collaboratively with the supply chain.
- Develop supplementary initiatives to those recently introduced to encourage exporting, especially to growing markets.
- Develop partnerships between the region's businesses and businesses outwith the area.

## Creative Industries

Recognising the highly individualistic nature of businesses in the creative industries sector and their high degree of mobility, the Strategy emphasises the development of a supportive business environment to encourage business location and development in this sector. The experience of businesses such as Hunted Cow, which has successfully developed in Elgin, will be harnessed in encouraging the development of the creative industries sector. This will be supported by related curriculum development at Moray College and elsewhere. Priorities in this key sector are to:

- Develop improved awareness of prospective employers and investors requirements.
- Ensure high quality connectivity infrastructure is available to support its development.
- Ensure that appropriate skills development support is available through liaison with Moray College.
- Assist the development of appropriate sites and premises, preferably in central locations.

## Tourism

Many aspects of Moray's tourism product offer significant growth opportunities. Targeted inward investment propositions and enhanced business productivity will help to transform the sector, capitalising on Moray's unique location and environment, the potential development of Moray-based space tourism being a case in point. Adopting a Destination Marketing approach and building on synergies with other tourism destinations will create a strong tourism experience, particularly with regard to food and drink and outdoor tourism. Priorities in this key sector are to:

- Attract more relatively high spending visitors to high quality facilities, at the upper end of market provision, accompanied by place marketing initiatives.
- Provide a broad range of higher value added spending opportunities.
- Create new tourism packages with themed offerings, such as golfing, archaeology, history, adventure activities, food and drink.
- Develop the Moray brand with targeted campaigns.
- Develop an all-year round tourism industry with higher value activities to bring additional employment, income and GVA to Moray.

## Financial and Business Services

Moray's indigenous financial and business service sector will be supported to expand through encouraging service development and innovation, the availability of appropriate accommodation, and the extension of home working initiatives. This, and improvements to broadband connectivity across Moray will support efforts to attract inward investment. Priorities in this key sector are to:

- Support the growth of existing businesses in the sector to maximise the volume of their work delivered in Moray.
- Ensure that appropriate skills development support is available through liaison with Moray College.
- Develop related inward investment propositions.
- Support the development of social enterprises.
- Ensure high quality connectivity infrastructure is available to support its development.
- Ensure appropriate sites and premises are available, preferably in central locations.

### Academic and research capacity

Although not a traditional key sector, the University sector presents an opportunity to grow a skilled population, create sustainable communities, support and create dynamic businesses offering a wider jobs base, and develop world class learning and innovation infrastructure. Moray College and Dr Gray's Hospital are critical to Moray's future economic development. Moray College's University status and an increased focus on key business sectors will help to attract and retain highly skilled teaching staff and students, supporting labour force skills development and efforts to promote higher value economic activity. The development of training, advisory, research and product development relationships will improve business competitiveness while also developing academic staff. University status will also improve Moray's profile and attractiveness as place to invest, live and work in. Education in support of Moray's key business sectors is a central strand of the strategy. Promoting research and related commercial activity in Moray will help attract higher value economic activity to the area. Priorities in this sector are to:

- Develop capacity and expertise as an advanced seat of learning in the North of Scotland.
- To further develop and deepen the links between Moray's educational resources and businesses across Moray.
- To develop Moray as a high quality location in the medical research community.
- To ensure education resources are supported by appropriate physical infrastructure and premises to maximise commercial benefits.



## KEY ENABLING ACTION: EASE OF DOING BUSINESS

One of the key measures of the success or otherwise of initiatives to build the Moray economy is the extent to which: new investment and business activity is attracted to the area; and the level of investment and activity generated by the existing business base as it grows and develops.

Regulation - including health & safety, planning, building control or measures related to particular forms of funding assistance – is a constant and necessary consideration for many businesses, particularly as they relocate or expand. While recognising their value, compliance can generate costs in terms of delay and related expenditure. The Strategy aims to coordinate regulatory processes wherever possible to support business development.

Streamlined planning and other procedures will be developed to encourage development in key employment and service sectors. The Strategy identifies the preferred locations and the nature and type of activity that will be supported. A series of protocols will be prepared for proposed developments consistent with these. This will include preparation of processing agreements specifying the time in which applications/proposals will be dealt with, allocation procedures, specifying which officers will be involved in processing applications and commitments to efficient levels of service.

This will involve early engagement and continued liaison between: regulatory departments in Moray Council; SNH; SEPA; Transport Scotland; HIE; Historic Scotland and others. The Strategy aims to develop a suite of supporting protocols by a suggested date of May 2012, with the aim of being fully operational and tested in advance of completion of the Flood Alleviation Scheme in Central Moray.



### KEY ENABLING ACTION: BUSINESS SUPPORT

New industries will demand new skills, and Skills Development Scotland will be a partner in delivery of the Strategy to create an investor ready region. Alongside investment activity which seeks to create new employment opportunities in Moray, support and development of existing businesses to adapt to economic change will be essential. Existing support structures such as Business Gateway and HIE's Account Management system will remain vital support mechanisms for the wider economy and to provide the platform for key sectors to accelerate growth.

Access to finance to support business development and growth remains restricted following the 2008 banking crisis. Business support through the Strategy will include assistance to access initiatives such as the Scottish Loan Fund.

Other support mechanisms will include offering additional business support to:

- Increase business start-ups in Moray.
- Re-orientate, grow and diversify small businesses.
- Increase the number of businesses in Moray and bolster community confidence.
- Retain as many skilled workers in Moray as possible.



## INFRASTRUCTURE

Moray's location relative to the main markets for its goods and services, and between Aberdeen and Inverness means that the quality of strategic transport, connectivity and other infrastructure is a critical factor influencing investment decisions. Moray needs to be in the vanguard of digital connectivity development to help overcome perceptions of peripherality. Gaps and constraints in transport infrastructure and service provision affect accessibility to employment at a regional level across Moray's labour market catchment.

The delivery of higher education services in Moray - through course development, research activity, and encouraging the development of advisory services – is central to achieving the objectives of the Strategy and building higher value economic activity in Moray. Priorities are to:

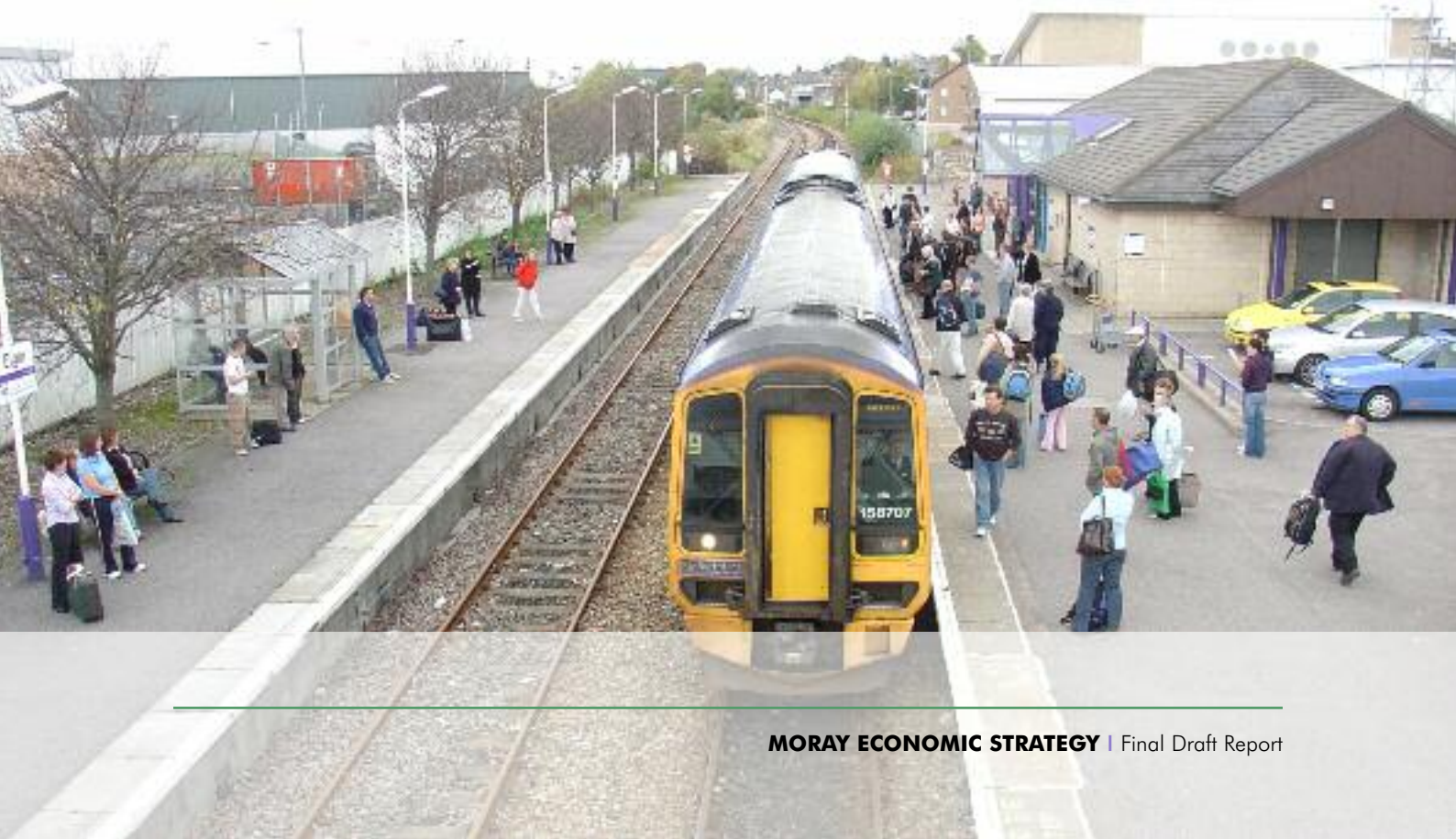
- Develop Moray's wider regional infrastructure, including road, rail, air and sea connections, providing improved access to Aberdeen, Inverness and external markets.
- Enhance Moray's appeal as a location for inward investment.
- Promote investment in mobile and broadband networks, to improve the quality and capacity to support Moray's development and digital connectivity.
- Improve infrastructure and services to key business and industrial areas, skills availability, land and premises.
- Development of high quality higher education facilities to promote growth in Moray's key sectors.



## KEY ENABLING ACTION: IMPROVEMENTS IN REGIONAL ACCESSIBILITY

Key actions to improve accessibility include:

- A continued programme of improvement to Moray's key trunk road and rail infrastructure, the A96 and the A95 and the Aberdeen to Inverness line.
- Critical road transport improvements to enable Elgin to perform its regional capital function efficiently in terms of road and public transport accessibility.
- Re-design of the A96 at Alexandra Rd to address severance in the city centre, as identified in the 'Elgin- City for the Future' document.
- The potential relocation of the Elgin bus station.
- An effective method of traffic distribution outside the city centre that enables the urban road network to function efficiently.
- Continued investment in the area's broadband and digital infrastructure, through upgrading existing infrastructure, improving mobile broadband coverage and encouraging a broader range of service providers.
- Infrastructure and service improvement to key business and industrial areas, including:
  - A replacement dredging facility for Moray's harbours
  - Improvements to Business Park accessibility
  - Improved strategic connections, including direct coach services.



## COMMUNITY

Community empowerment is critical to the successful re-shaping of the Moray economy. Adopting a well-resourced and focused support mechanism for selected communities is essential to counteract the socio-economic challenges some areas will face. There is scope for new and existing social enterprises to play a significant role in community development. Maintaining and developing capacity and flexibility within the business community will also be a critical component of change. Key elements of this approach include:

- Ensuring community capacity measures are in place to meet the needs and demands of the various communities as the economy moves forward.
- Ensuring clear and sustainable leadership to guide the implementation of The Moray Economic Strategy.
- Strengthening the role of the social economy and community sector to provide outsourced services for public organisations. New and existing social enterprises will play a significant role in community development.
- Maintaining and building community support for mitigating actions.
- Building and sustaining community and business confidence.

### KEY ENABLING ACTION: DEVELOPING THE SOCIAL ECONOMY

Some 10% of Moray's workforce is employed in the Third Sector in a combination of full and part time positions. Some 16% of the 958 no. organisations in Moray are involved in activity related to one or more of the Action Plan areas, and particularly well represented in the Arts and Culture sector. A recent evaluation found these sectors to be broadly sustainable. As a business model, the potential contribution to be made towards the objectives of The Moray Economic Strategy is acknowledged.

The potential development of the sector in support of Strategy objectives in rural Moray should be a priority. The social economy is heavily under-represented in Speyside in particular. The Strategy will encourage the development of social economy enterprises, particularly those which provide goods or services in the key sectors. The potential for resourcing a development position to build social economy capacity in the area will be considered. Community Benefit clauses have the potential to retain public authority contract-related expenditure locally and have already been introduced in a number of procurements by agencies in Moray. Subject to European Competition regulation, the potential for their application more broadly will be reviewed with a view to extending their use.

## IDENTITY

The strength of Moray's economic identity will be boosted externally, emphasising Moray's attractions as a business location, the skills, aptitude and capacity of its workforce, the support provided by its educational and other institutions, and its outstanding quality of life. In Moray itself, the Strategy will promote a broader awareness of the economic value of the area, its key sectors and their importance not only to Moray but to the Highlands, to the North East and to Scotland as a whole.

Moray is home to world-leading brands. These will be developed further as new areas of expertise are developed, with the area's lead businesses acting as ambassadors for a dynamic business region. Priorities are to:

- Reinforce and strengthen Moray's sense of identity.
- Attract inward investment.
- Improve tourism product to become more widely recognised and increase the number of high spending visitors in the area.
- Promote Moray's high quality of life.
- Increase awareness of Moray's high quality business environments and infrastructure.



## KEY ENABLING ACTION: DEVELOPING MARKET- ORIENTATED PROPOSITIONS FOR INWARD INVESTMENT IN MORAY

Attracting inward investment is a market-led activity. Efforts through the Strategy therefore need to combine:

- Awareness of the product market fit, Moray's potential selling points in the context of current and emerging inward investment trends.
- The areas locational attributes, industrial structure, skills and labour force availability, availability of employment land and office space, research and educational attributes, incentive packages and quality of life need to be compared with areas of likely interest.
- Analysis of the local business and supply chain opportunities.
- Refining Moray's proposition in each of its key sectors, identifying appropriate markets and companies and developing targeted approaches.

While general marketing and influencing approaches may be appropriate to support inward investment activity in these areas, three further areas are being examined where more specific and targeted approaches are likely to be more appropriate.

- E-Health, developing from the research expertise at Dr Gray's and Moray College's Life Science Centre and Moray's particular demographic characteristics and the availability of supporting population health data and information.
- Tourism: linked to sector requirements for an extended accommodation offer, both in terms of quality and quantity.
- Advanced engineering, these activities may include test and manufacturing facilities for unmanned aircraft, radar and other technology applications, or indeed a repair and maintenance function linked to freight aircraft or the Aberdeen oil and gas fleet. These types of activity could potentially be attracted to surplus MOD estates which may emerge from future announcements, recognising the possibility that the sites may not be available.

## Strategic Approach

Creating long term sustainable economic growth in Moray will involve a strategic approach:

- Targeting resources to achieve highest return, particularly GVA and earnings growth for Moray's businesses and communities.
- Taking a medium and long term view of decisions and actions that affect the wider Moray economy.
- Transforming the physical and technological infrastructure to enhance Moray's appeal to attract inward investment and people.
- Capturing a greater share of growing sectors by some bold investments in new assets and people.
- Focussing on opportunities that the economic climate favours, especially on exporting activity and partnerships with countries and regions with relatively fast growing economies, building on the success global brands in Moray have achieved.
- Identifying those parts of the area where the need for compensating private sector development needs are or will be particularly high.
- Developing strong, cohesive communities.
- Maximising the resources that can be attracted from national and international sources towards development initiatives in Moray.

# MOVING FORWARD

**The vision for Moray is clear:**

**Moray is a vibrant 21st century region with a broad business base providing stable well paid employment, and strong communities with a growing population.**

Five linked themes have been identified to frame objectives and supporting projects:

**Innovation in Business and Technology**

**Developing a High Profile, High Value Tourism Offer**

**Broadening and Deepening the Economic Contribution of Moray's Education and Health Infrastructure**

**Developing Moray's Cultural, Heritage and Arts Assets**

**Reinvigorating Moray's Retail, Leisure and Civic Sectors**

An outline of the Moray context for each theme, and a schedule of supporting actions and key projects are provided. Key projects are those considered necessary to deliver the strategy. While timescales are indicative and implementation will be dependent on how key partners agree to prioritise them in terms of resource availability and phasing, the Community Planning Partnership, through the Moray Economic Partnership, will be accountable for delivery of the Strategy through the Action Plan.

## INNOVATION IN BUSINESS AND TECHNOLOGY

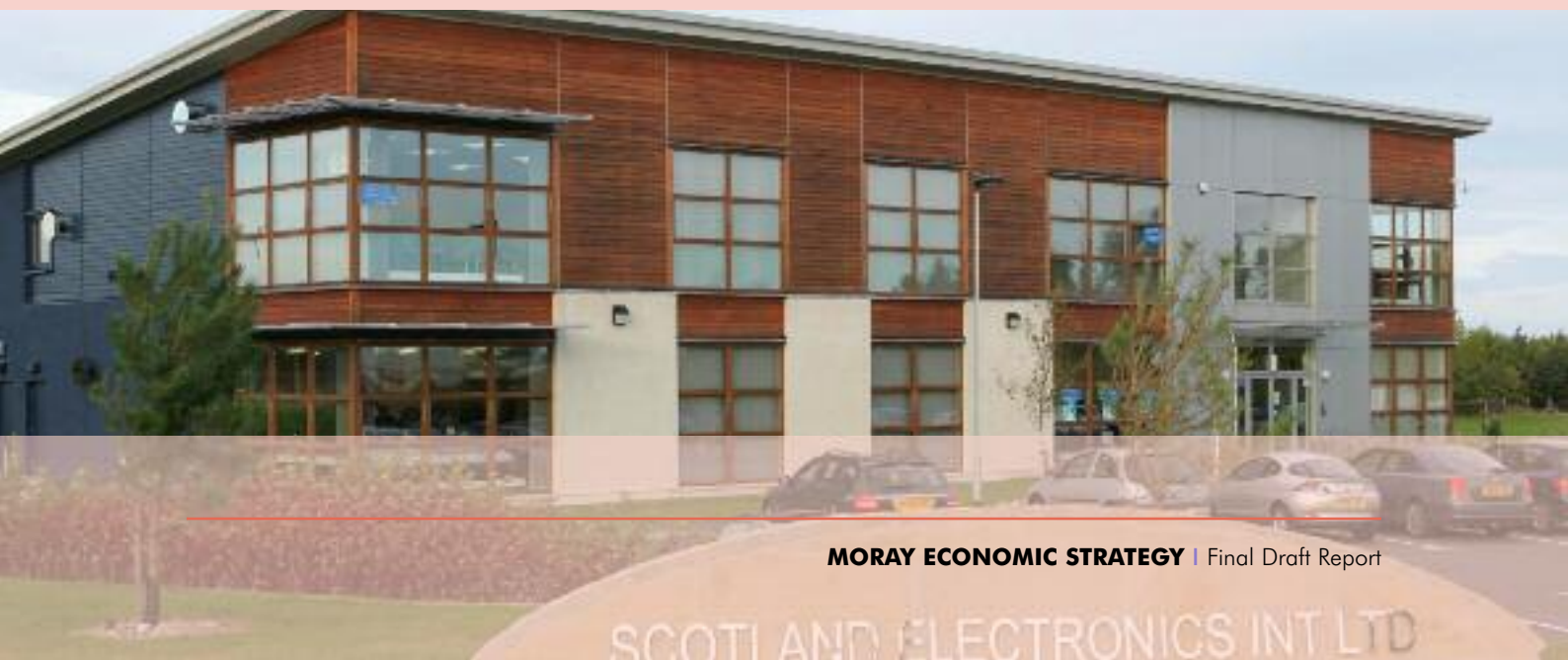
Building from an established base in the food & drink and engineering sectors, businesses will be encouraged to develop and grow in Moray through: innovation in product and service development; an available stock of high quality sites and premises; access to a skilled workforce; and improved accessibility.

While the core food and drink sectors remain strong, diversification and growth across all sectors is essential if the economy is to continue to provide comprehensive access to employment opportunities. An emphasis on higher value economic activity requires co-ordinated action to build sector capacity and provide high quality business environments: to build capacity within indigenous businesses; to enable business expansion in Moray; and to attract new businesses and business activity. It will also require a combination of incentives and carefully phased provision to build development values.

The availability of business and industrial land is heavily restricted in Elgin, Buckie and Forres, the main centres of manufacturing, distribution and engineering. Moray's industrial estates are witnessing high levels of occupancy, with limited availability of land and premises. While completion of the Moray Flood Alleviation Scheme will provide increased investment and development security, it will also reduce the amount of available and effective employment land.

A number of Moray's key manufacturing businesses have medium to large scale production facilities in or close to town centres. Should they wish to expand in the future or renew production facilities, alternative site options are limited, even should relative values of town centre uses be able to support relocation. Ensuring existing and anticipated future requirements can be met is essential.

It is envisaged that Moray's higher education sector will play an increasing role in attracting new investment and developing business capacity to spur regional economic development. It has a central role in assisting economic development through: establishment of courses/ training programmes relevant to key sectors; developing expertise (and a strong reputation) in related fields; and development of related research and advisory capacity.



## Supporting actions and key projects

Ensure an effective supply of serviced sites and high quality business environments, located to secure maximum economic benefit and appropriate to Moray's future needs. This will be reflected in future Local Plan allocations and an enabling approach to development including, where appropriate to key sector development, potential assistance with site servicing. Key initiatives include:

- **Business Park provision or expansion in key settlements**
- **Investment in Research & Innovation facilities**
- **Providing harbour side business space and facilities to meet the future requirements of the emerging renewables sector**
- **Promoting opportunities for office provision in central areas**
- **Encouraging investment in existing assets**
- **Identification of expansion land**

Developing effective partnerships between business and Moray's higher education sector: to promote innovative product and service development; and to meet key sector and general business requirements for appropriately qualified staff. Key Initiatives include:

- **Course development in key sectors**
- **Business Innovation & Development Support**

Continual improvement of business networks and information to maximise potential supply chain benefits.

- **Continual improvement in Business Gateway services**

## INNOVATION IN BUSINESS AND TECHNOLOGY

**Key Delivery Partners:** Moray Council, Highlands & Islands Enterprise, Private Sector

**Target Outcome:** Moray is a preferred location for high value manufacturing and economic activity

### Key Indicators

Progress in developing Innovation in Business and Technology will be considered against:

- Increased output in Moray's food and drink, research and development activity, engineering and manufacturing sector
- Increased employment in key sectors
- Increase in number of companies: new starts; inward investments
- Increased supply of business floor space
- Increase in average wage levels

## DEVELOPING A HIGH PROFILE, HIGH VALUE TOURISM OFFER

While Moray has some world known products which form the base of its tourism appeal – Speyside’s whisky and related trails, and the quality of its fishing for example –they are not part of a wider coordinated offer. Despite considerable natural and built assets, there has been limited investment in product development, facilities which showcase Moray’s history, culture and heritage, and tourism and visitor facilities generally (with some notable exceptions such as Johnstons of Elgin). The limited capacity of Moray’s attraction and accommodation base means the full benefits of its tourism assets are not realised, whether through being unable to accommodate larger groups of visitors, or in its day- to-day food and drink services.

The Strategy aims to build value in tourism through attracting more visitors to Moray and encouraging higher levels of related spending. Moray’s tourism economy is potentially well positioned in established and emerging opportunity areas, including: its whisky heritage; fishing; the growing market in outdoor recreation, sport-based activities, arts & culture (based around the Findhorn Foundation and the Moray Arts Centre), wildlife tourism, and Moray’s developing coastal offer.

Moray’s location relative to the Cairngorms National Park (which includes part of Moray) offers the potential to develop effective operational and marketing links. There may also be potential to develop business from cruise liners utilising Buckie’s local deep water and harbour infrastructure.

These sectors are at different stages of maturity and the Strategy will support their ongoing development. In Speyside, the Strategy will build on the foundation provided by the various distilleries and other existing facilities, promoting the development of high quality accommodation and extending the range of outdoor and other activities locally. At least one high quality hotel in the area will be promoted. Supporting interpretation, orientation and food and drink services in Speyside towns will be encouraged.

Alongside clear visitor orientation and the development of specific visitor attractions, the Strategy also supports continual improvement in the quality of the accommodation base, and the retail and leisure services which support tourism. This will combine physical improvements with training, marketing and promotional initiatives.

Elgin and Keith will be encouraged to develop ‘gateway’ roles to develop different elements of Moray’s tourism attraction: Elgin building on its historic role as Moray’s main town and the cultural, architectural and heritage features associated with it; Keith developing from its association with Scottish language and music. Their role in signposting opportunities across Moray will be developed. The combination of attractions and facilities at these points and the promotion of access to the wider offer will be developed to hold visitor interest, extending the average length of stay and increasing levels of visitor expenditure across Moray.

Strategy actions reinforce the implementation of the vision established by Moray Tourism Development Ltd for Moray to become, *“internationally renowned as a quality tourist destination, building on our global reputation as the home of malt whisky and promoting our rich heritage and natural environment”*.

### **Supporting actions and key projects**

Developing the ‘carrying capacity’ of Moray’s attraction base to absorb visitors and encourage them to stay longer in the area. The development of facilities with clear links to Moray’s heritage and landscape assets will be supported. The development of physical and interest-based links (such as walking and cycle routes) between points of interest across Moray and within particular settlements will be encouraged.

- **Signature visitor facilities**
- **Development and promotion of linking infrastructure**

Developing clear focal points and gateways to improve understanding of the attractions and facilities available at key points and to showcase broader elements of Moray’s tourism ‘package’ will assist development of a critical mass of interest, encouraging more visits and extended stays.

- **Visitor orientation**

A constant focus on marketing is supported to ensure that visitors to Moray and surrounding areas are aware of what it has to offer. Measures to coordinate events to extend visitor interest in peak and off-peak periods will be encouraged.

- **Coordinated Events & Promotions Strategy**

Improvements in the quantity and quality of visitor accommodation will be encouraged, with the needs of leisure visitors prioritised. Improving the quality of accommodation and levels of service in the accommodation and other ‘welcoming’ sectors will be an initial focus of the Strategy.



Improved and effective links with Moray College and other education providers will be developed to encourage innovation in visitor service and skills development to ensure high quality service.

- Promoting hotel development in appropriate locations
- Business development Support
- Course development

### DEVELOPING A HIGH PROFILE, HIGH VALUE TOURISM OFFER

**Key Delivery Partners:** Moray Tourism Development Ltd, Moray Council, Moray College, Highlands & Islands Enterprise, Private Sector

**Target Outcome:** Moray is firmly established as one of Scotland's top visitor destinations

#### Key Indicators

Progress in achieving a high profile tourism offer will be considered against:

- Increase in output from accommodation and food and drink sectors
- Increase in visitor numbers: total; Speyside; Central Moray; Moray Coast
- Increase in average visitor spend
- Increase in average visitor length of stay
- No. of tourism businesses and employees
- Improvements in the accommodation base: no of rooms; quality standards



## **BROADENING AND DEEPENING THE ECONOMIC CONTRIBUTION OF MORAY'S EDUCATION AND HEALTH INFRASTRUCTURE**

Moray College and Dr Gray's are critical to Moray's future economic development. Moray College's University status and an increasing focus on the main business sectors will help to attract and retain highly skilled teaching staff and students, supporting labour force skills development and efforts to promote higher value economic activity. The development of training, advisory, research and product development relationships aims to improve business competitiveness while also developing academic staff.

Dr Gray's District General role is vital to the provision of accessible secondary health services in Moray; continuing medical training in Elgin; and the retention of highly skilled staff in the area. Based at Dr Gray's in Elgin, it is also developing leading expertise in the provision of E-Health medical services.

Moray College's campus re-development is critical to its future ability to provide university-standard courses and attract students and staff. Skills development through increased access to higher education and lifelong learning opportunities aims to provide industry and businesses in Moray with the skills it needs to protect and maintain its market position. Availability of suitably qualified staff is a critical factor in competitiveness and vital for Moray to successfully diversify into higher value areas of economic activity, attract inward investment and broaden the company base.

The joint development of the Moray Life Science Centre by Moray College, NHS Grampian and Highlands & Islands Enterprise is a unique opportunity to position Moray in a lead role in an emerging industry with significant growth prospects. Additional research activities and commercialisation will be introduced to increase knowledge transfer with local companies. Remote and E-Health activities based on research and development being carried out by Moray clinicians is the initial focus of research activity. The combination of research and new facilities will help attract and retain key staff in the area. The development of a related Research and Innovation Park will be supported to the west of Elgin.

In Buckie and the surrounding area, the main emphasis will be on promoting the availability of suitably skilled staff and the training and research capacity of the area's Higher Education Institutions (HEIs) (in Moray and in Banff) to capitalise on opportunities in the renewable energy and low carbon sectors.

There may be opportunities to develop synergies between local policy and business activity and the work of CIFAL at Findhorn, the only UN Institute for Training and Research affiliated training centre in Northern Europe.

In Speyside and other parts of Moray with a tourism focus, business development and training support will encourage service, product and career path development.

### Supporting actions and key projects

The development of regional-level education and health infrastructure will underpin economic diversification while also reinforcing health service provision and accessibility. Completion of the Life Science Centre is one of the building blocks in developing a lead role for Moray in the E-health sector and capturing the benefits of commercial opportunities. Campus redevelopment will assist retention and attraction of highly qualified staff. The provision of appropriately-located serviced residential accommodation will be encouraged:

- **Completion of Moray Life Science Centre**
- **Support for the expansion of Moray College as a university centre of learning, and its comprehensive redevelopment**
- **Support for the comprehensive redevelopment of Dr Gray's as a District General facility**
- **Serviced residential accommodation**

Physical development should be reflected in the range of courses, an increased emphasis on research, and development of advisory capacity. The development of career path frameworks in the tourism, leisure and retail sectors will be supported to encourage a long term perspective of opportunities.

- **Promotion of Specialist Research Chairs**
- **Course development related to keys sectors including: food and drink, health, renewable energy, and tourism**
- **Developing career path frameworks**
- **High-quality business environments**
- **Support for research and innovation premises**

Collaboration and joint working will help support innovation, building pathways between education, research and business development.



## BROADENING AND DEEPENING THE ECONOMIC CONTRIBUTION OF EDUCATION AND HEALTH INFRASTRUCTURE

**Key Delivery Partners:** Moray College/UHI; NHS Grampian; Highlands & Islands Enterprise, Findhorn Foundation, Private Sector

**Target Outcome:** Moray is acknowledged as providing leading higher education facilities and courses. It has developed a good reputation in E-Health medical research. Education providers and researchers work regularly with local businesses to develop effective solutions.

### Key Indicators

The broadening and deepening of the economic contribution of Moray's education and health infrastructure will be considered against:

- No. of accredited courses in key sector areas
- No. of students: No. of students enrolled in key sector-related courses
- No. of research posts
- Moray College/UHI research accreditation
- No. of research and related businesses in Moray
- No. of HEI/business collaborations
- No. of spin out businesses



## DEVELOPING MORAY'S CULTURAL, HERITAGE AND ARTS ASSETS

Moray has considerable cultural and heritage assets including the story of its development, its archaeological and architectural heritage, and its coastline and valleys. In the Findhorn Foundation, the Moray Arts Centre, with its leading edge display facilities, and Moray College's renowned Arts School, it also has the basis for further development of a wider arts offer.

Developing Moray's arts, culture and heritage assets will reinforce efforts to promote the area as a place to live, further adding to the positive quality of life characteristics which it already enjoys. It will also enable more innovative thinking and develop problem-solving capacity across the economy. Creative and cultural activity is also a powerful vehicle for community development and engagement.

Moray College has a clear role in developing the skills base necessary to support a knowledge driven and creative economy. Initiatives such as the collaboration with Glasgow School of Arts Design Department at the Enterprise Park, Forres should be extended.

While this strand of the Strategy concentrates mainly on developing activity, skills and related events, and the evening economy, it will also support development of key aspects of infrastructure where they reinforce the value of the sector and its links with other areas of activity, such as tourism and leisure. Sport is an important element in local heritage and culture. Improved facilities will help to attract and retain young people and people of working age in Moray.

Innovation sharing should be a Moray-wide activity with businesses in all of the key sectors engaged.

### Supporting actions and key projects

The sustainable expansion of strategic arts and culture infrastructure in Moray's main centres will be encouraged. Higher level facilities will be promoted in Elgin providing an opportunity to develop a state of the art concentration of arts facilities, including modern performance spaces.

- **A new Moray Arts School**

The development of cultural initiatives rooted in local heritage will be supported where it provides an addition to Moray's existing base of facilities. The role of arts and culture in deepening the tourism and visitor offer is acknowledged. This should extend to sports and related facilities.

- **Regional Sports Centre**

Collaboration and joint working will help support innovation, building pathways between education, research and business development. Links between Moray College, and organisations involved in the creative industries, including the Findhorn Foundation, Moray Social Enterprise Network, and the business community will be developed to share innovative thinking on cultural and environmental issues.

## DEVELOPING MORAY'S CULTURAL, HERITAGE AND ARTS ASSETS

**Key Delivery Partners:** Moray College/UHI, Moray Council, Findhorn Foundation, Moray Social Enterprise Network

**Target Outcome:** Moray is acknowledged as a leading centre for arts and culture in the North of Scotland. Important heritage buildings are used to support the development of cultural and tourism activity. New facilities support this.

### Key Indicators

Progress in developing Moray's cultural, heritage and arts assets will be considered against:

- No. of cultural events and related visitor numbers
- Investment and expenditure on arts, culture and heritage in Moray
- No. of sporting events and related visitors



## REINVIGORATING MORAY'S RETAIL, LEISURE AND CIVIC SECTORS

Moray's broad retail and leisure offer is not keeping pace with the expectations of residents and visitors for modern, varied shopping environments combined with a range of food, drink and leisure opportunities. The presence of an appropriate range and scale of such facilities: helps to retain expenditure in the local economy; attracts visitors, potentially extending the length and value of their stay; and is often one of the locational factors influencing the location of business services and other office-based activity.

The challenge is to maintain and further develop a critical mass of activity to encourage investment to stem the flow of activity and expenditure away from Moray's centres. With limited opportunities in Moray's town centres, recent years have seen an increasing out of centre focus for retail, leisure and office activity. Against this backdrop, building values in central areas will be critical.

Just increasing the scale of Moray's retail and leisure will not suffice. Moray needs the right combination of retail facilities along with an interesting mix of leisure, cultural and heritage opportunities to retain local expenditure (which is presently leaving Moray for other centres to obtain these services) and to attract visitor spend. Leisure here is defined in its widest sense, to include restaurants, pubs and wine bars, cinemas, museums, galleries and other facilities.

### Supporting actions and key projects

Improved regional public transport links are required to support a renewed focus on Moray's town centres as focal points for retail and leisure activity.

- **Improved Regional Public Transport Links**

Across Moray, the lack of available sites constrains new town centre activity and the Strategy therefore offers support for site assembly. Measures will be brought forward to assist the availability of town centre sites (potentially including site assembly and the use of Council and other public sector assets) and phasing of development to improve values.

- **Central Area Site Enabling**

The quality and management of Moray's High Street environments will be maintained and further improved through support for investment in the public realm, combined with centre management, operator networking linked to events and promotions, and design initiatives.

- **Townscape Heritage Improvements**
- **Business development & support to the leisure and retail sectors**

Developing approaches to encourage visitor-related trade in Moray's key centres will be supported. The 'gateway' role of Elgin and Keith will be supported. While the retail and leisure mix in Forres is strongly independent, it could be further developed were it afforded a higher profile to visitor markets. Measures to encourage visitor traffic to the centre will be encouraged. New retail development in and around Forres should seek to complement the town centre offer. The Strategy will also seek to support improvements to the quality and range of leisure and retail facilities in Speyside, with a firm focus on improving the range and offer presented to visitor markets.

- **Coordinated Events & Promotions Strategy**

### REINVIGORATING MORAY'S RETAIL, LEISURE AND CIVIC SECTORS

**Key Delivery Partners:** Moray Council, Elgin BID and town centre bodies across Moray, Moray College/UHI, private sector, HIE

**Target Outcome:** Most of Moray residents' retail and leisure expenditure is absorbed in the area's main centres. Its town centres are well used by visitors to the area. Property values support redevelopment to provide modern facilities for a growing resident, business and visitor population.

#### Key Indicators

The revitalisation of Moray's Retail, Leisure and Civic Sectors will be considered against:

- Increased visits to Moray centres
- Reduced leakage of expenditure on non food retail items and leisure activities
- Increase in rentals for retail and leisure property in Moray's town centres
- Increase in number of retail and leisure outlets



## Core Targets

The strategic vision and approach identifies a wide range of actions designed to build on the strengths of the Moray economy and exploit the opportunities available to it. Careful prioritisation and clear leadership will ensure that interventions bring the greatest impact/return to Moray.

**Moray is a vibrant 21st century region with a broad business base providing stable well paid employment, and strong communities with a growing population.**

The Moray Economic Strategy adopts three core strategic targets:

- **Population** - encouraging growth across Moray with the potential to grow to a population of over 90,000 over the next 10 years, attracting new residents and young people aged 16-25 years to the area. Elgin will continue to play a key role as a service centre, with an increase in population witnessed across all key settlements in Moray.
- **Employment** - over the Strategy period, the aspiration is to create over 5,000 jobs in the wider economy, with a focus on high quality jobs in engineering and science & technology coupled with an increase in the employment base in long-established activities such as tourism and food & drink manufacturing. Job creation in the social enterprise sector in the key sectors, promoting low carbon technologies and in various aspects of service delivery is anticipated to increase through the Strategy.
- **Earnings** - strategy implementation aims to realise average Moray earnings at or above regional and Scottish averages through emphasising higher value activities.

# DELIVERY

Implementing The Moray Economic Strategy will involve all of the area's public sector agencies and the private sector working together to identify ambitious but realistic opportunities for the region based on careful consideration of its assets and market opportunities. The following elements will be essential to delivery:

- Long term consistent vision;
- Strong, clear, sustainable leadership;
- Strong communication links between public sector partners, communities and the private sector;
- Widely-owned actions with clear accountability;
- Effective communication channels;
- A clear focus on existing strengths and opportunities;
- Wide ownership through effective engagement, facilitation, monitoring and communication of progress; and
- Agreed project prioritisation.

The Strategy aims to diversify the Moray economy, growing it in scale and moving it into higher value areas of economic activity. The nature, scale and pace of change required in this gear change demands a comprehensive approach to implementation involving: all of Moray's key public sector bodies; key businesses and the main businesses sectors; and resource commitment from external sources.

This raises some fundamental delivery issues:

- responsibility for implementing projects in The Moray Economic Strategy needs to be clear;
- co-ordination will be critical.

The people and organisation(s) leading implementation need to have decision-making capability and authority. This will mean the capacity to influence a range of public sector bodies at senior level and either some delegation of decision making or the development of clear channels of communication to enable swift decision-making:

- It will require concentrated staff resource in implementation. Those involved need to have the appropriate skills and experience in co-ordinating the delivery of complex projects; and
- Organisational commitment and prioritisation of resources behind The Moray Economic Strategy objectives and priorities will be essential to generate confidence, investment and momentum among Moray's business, investment and development community.

The approach to implementation clearly needs to be fit for purpose. To that end the Community Planning Partnership has agreed the following model.

An Officer Implementation Group would be recruited from the Community Planning Partners, and charged with implementation of The Moray Economic Strategy and supporting projects. This is a significant role and the resource implications are clear: i.e. this should be the officer’s main function. This Group would be responsible for developing an aligned Action Programme, and co-ordinating resources from CPP members and other sources. It would report progress in achieving this to the Moray Economic Partnership which will be responsible for ensuring progress against The Moray Economic Strategy and supporting projects (including the ‘Moray Economic Response Plan’, ‘Elgin- City for the Future’ and other supporting projects).

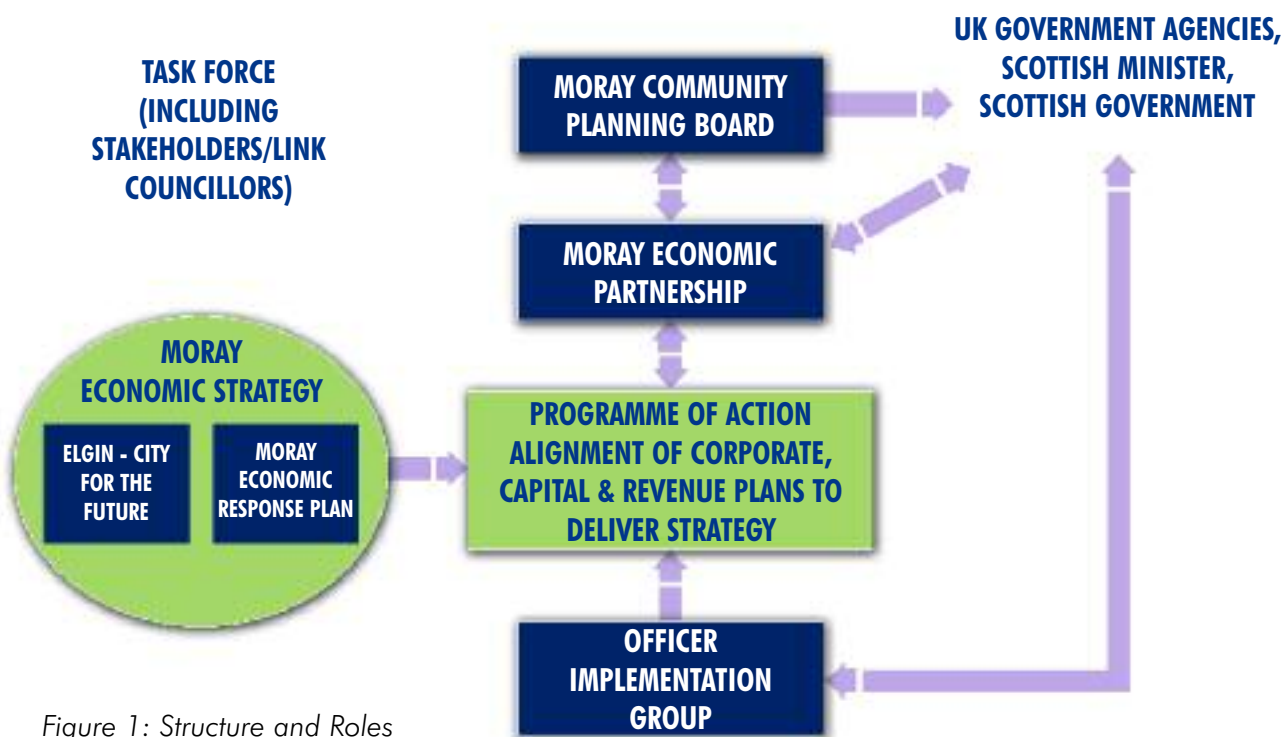


Figure 1: Structure and Roles

The Moray Economic Partnership has been established: to provide an economic focus within the Community Planning Partnership; and specifically to deliver The Moray Economic Strategy and supporting projects, including the Moray Economic Response Plan. It will include:

- Broad-based political representation: to establish a medium to long term consensus behind economic priorities;
- Key business involvement at senior level: reflecting committed investment in the economy and their critical role in delivery; and
- Key funding partners, represented at Convenor/Chief Executive or Director level. This includes: the Moray Council; Highlands & Islands Enterprise; the Scottish Government; NHS Grampian; Moray College; Skills Development Scotland; and the Moray Chamber of Commerce.

The Moray Economic Partnership Board will report to the Community Planning Partnership. At this stage, due to budgetary restrictions the structure does not identify dedicated resources for co-ordination and implementation. However, it is acknowledged that a distinct delivery body (with Moray CPP representation at Board level) may afford more concentrated focus and should resources be identified this will be reconsidered.

This structure has been developed to reflect the broad requirements to diversify the Moray economy.

There are a number of key considerations which the Strategy will tackle as an initial priority:

- Learning from the experience of others: Partnership structures of varying sizes have been established in different parts of the country, whether as part of urban regeneration companies, area-based regeneration partnerships or other structures. Within six weeks of Partnership approval, a series of structured and focussed discussions will be arranged to inform the development of Moray's delivery model.
- Agreement on priorities and control of partnership resources/assets and proceeds. In the current funding environment, it is likely that Moray Council and other Community Planning Partners will be required to use property and other assets to lever investment behind Moray Economic Strategy priorities. There should be clarity from the outset over the use of organisational resources behind shared objectives and, where appropriate, how the proceeds of any disposals from them should be channelled, whether into Moray Economic Strategy or organisational priorities.
- Appropriate staffing and delegated authority: the delivery model needs to be staffed at a senior level. Delegated authority is required to control implementation resources.

The Community Planning Partners will work together to develop resource protocols, agreed staffing, reporting structures and delegations (accompanied by relevant job descriptions). Legal advice will be procured.

# ACTION PLAN

## Abbreviations

EBID Elgin Business Improvement District

FSB Federation Small Businesses

HEI Higher Education Institutes

HIE Highlands and Islands Enterprise

MC Moray Council

MCoC Moray Chamber of Commerce

MSEN Moray Social Enterprise Network

MTD Ltd Moray Tourism Development

NHSG National Health Service Grampian

SDI Scottish Development International

UHI University of Highlands and Islands

The Action Plan provides further detail of the key projects, their intended timescales, and the partners involved in delivering them. Costs are not included as projects will be subject to detailed feasibility assessments. The Action Plan should be reviewed regularly by the Community Planning Board to reflect progress and more resource detail will be included as it becomes available. This does not represent firm commitment to partner organisations and is aspirational depending on resource availability which includes future funds which are not yet secured. The following schedules describe the actions under each theme.

The timescale of this plan is from 2011 to 2021 with some of the longer term actions envisaged for delivery for 2022 onwards. The short, medium and long-term phasing therefore refers to the following timescales:

- Short (S): 2011 - 2015
- Medium (M): 2016 - 2021
- Long (L): 2022 - onwards

## INNOVATION IN BUSINESS AND TECHNOLOGY

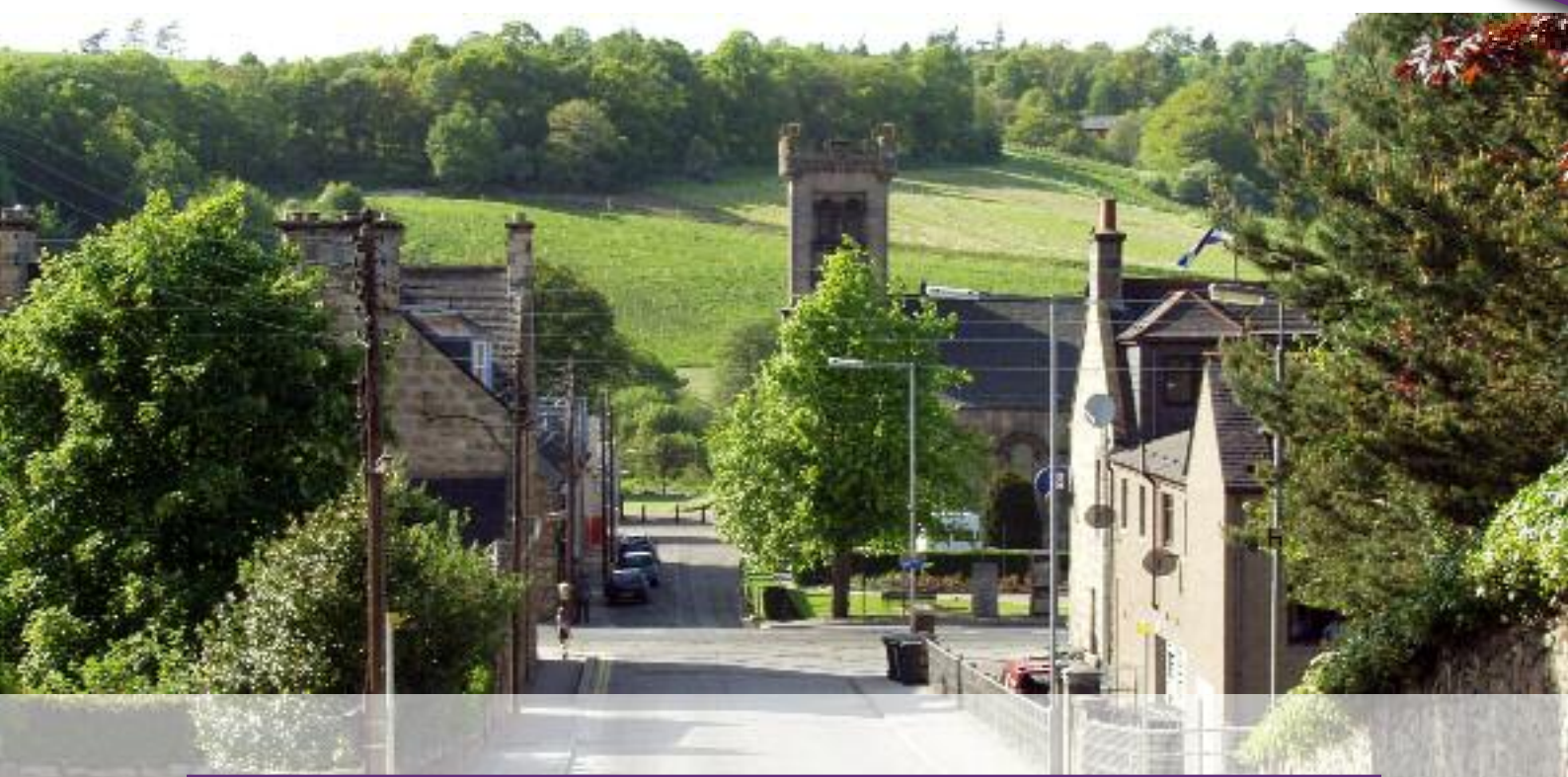
Project	Timing	Responsibility
<b>1 Promotion of Barmuckity Business Park</b> Barmuckity is a key resource to enable the expansion and relocation of local businesses, and attract new investment to Elgin. It could provide up to 30 ha. of general industrial land.	S	Private sector, MC, HIE
<b>2 Elgin West Research &amp; Innovation Park</b> Phased development of high quality business floor space, should supply of business premises be needed, in partnership with the private sector.	M	Private sector, HIE, NHS Grampian
<b>3 Buckie Quayside Provision</b> Consolidation/rationalisation of underutilised harbour side buildings and disused railway sidings to provide space for exploiting offshore wind servicing potential.	S	MC/HIE/private sector
<b>4 East Moray Science &amp; Business Campus, Buckie</b> Development of campus and business premises to support science-based departmental relocation, research and business development in renewable energy and low carbon sectors.	S/M	Private sector, HIE, MC, MSEN
<b>5 Promote opportunities</b> Promote opportunities for central area office provision to support business services development, and an appropriate range of high quality commercial services across Moray: <ul style="list-style-type: none"> <li>- Elgin 2,360 sq.m (town centre)</li> <li>- Forres 1,200 sq.m (serviced offices)</li> <li>- Buckie 700 sq.m (serviced offices)</li> </ul>	S/M	Private sector, MC, HIE

Project	Timing	Responsibility
<b>6 Industrial Estate remodelling/ refurbishment</b> Refurbishment / reconfiguration of premises vacated through relocation/expansion.	S	MC
<b>7 Identification of expansion land</b> Development rates over the past 3 years have been steady. There is now an acute shortage of serviced land ready for development to meet the needs of existing businesses and prospective inward investment.  Further allocations will be identified in the Moray Local Plan Estimated requirements to 2025:  <ul style="list-style-type: none"> <li>- Elgin 25ha.</li> <li>- Forres 10 ha</li> <li>- Buckie 3-5 ha (quayside), 5 ha (March Rd &amp; elsewhere)</li> </ul>	S	MC, private sector
<b>8 Course development</b> Course development supported by continual dialogue between Moray College staff and representatives of Moray's key business sectors to ensure education and training provision is closely tailored to business requirements:  <ul style="list-style-type: none"> <li>- Tourism and hospitality (standards, product &amp; service development)</li> <li>- Renewable Energy and low carbon sectors.</li> </ul>	S	UHI, MCoC, MSEN
<b>9 Establish Business Development Support Unit</b> Moray College provides courses in Arts, Business & Management, Care & Social Work, Hospitality, and Science & Technology (including engineering). Its skills and experience of its staff can be a useful resource for the local business community, providing advisory services and in assisting innovation in product and service development. The support unit would provide a brokering service between local industry and educational resources for assistance with product and service development audits, signposting to potential funding sources and assistance in developing funding applications.	S	UHI,HIE, MSEN

## DEVELOPING A HIGH PROFILE, HIGH VALUE TOURISM OFFER

Project	Timing	Responsibility
<b>1 Coordinated Events &amp; Promotions Strategy</b> Co-ordination of a Moray-wide programme of events is designed to increase footfall at all times of the year. While promoting a range of events, it would also involve co-ordination of retail, leisure and accommodation business to ensure marketing and promotions are consistent. The Strategy should identify emerging short and medium term opportunities as well as longer term objectives.	S	MTD Ltd, MC, HIE, private sector, MSEN
<b>2 Signature visitor facilities</b> Development of high quality interpretive facilities featuring Moray's culture, history and heritage. These should be of an appropriate scale and based at 'gateway' locations or where their context dictates. The Strategy encourages concept development, feasibility and implementation for projects rooted in local heritage, including, for example: <ul style="list-style-type: none"> <li>- The Moray Story at Grant Lodge (subject to restoration/extension feasibility): to display permanent exhibition on Moray's people, Council archives etc.</li> <li>- Story of Speyside Culture, Keith focusing on language, music, family culture (feasibility)</li> <li>- RAF Moray museum, telling the story of the RAF's involvement in the area.</li> </ul> Concept, feasibility and funding assessment Development	S/M	MC, HIE, EBID, MTD Ltd, local community /interest groups, MSEN
<b>3 Assist Hotel Development</b> Working with private sector operators and landowners, appropriate sites for high quality hotel development in Speyside and in Central Moray will be identified and marketing approaches developed as appropriate.	S	HIE, Private sector, SDI, MC
<b>4 Development and promotion of linking infrastructure</b> Developing Moray's 'linking' infrastructure, including designated tourist routes and walking and cycle routes etc will help in developing Moray as a comprehensive visitor destination, while accessing particular visitor markets and encouraging exploration of different aspects of the area and its heritage. This includes Moray-wide initiatives and projects which aim to encourage links within individual Moray settlements: <ul style="list-style-type: none"> <li>- Moray Way: promotion of the 95-mile Moray Way (combining the parts of the Dava, Speyside and Moray Coastal Trails).</li> <li>- Castle to Cathedral Heritage Trail, Elgin</li> <li>- Development of heritage trails in Speyside towns</li> </ul>	S/M/L	MC, MTD Ltd, local & interest groups

Project	Timing	Responsibility
<b>5 Incremental infrastructure improvements</b> A programme of small scale infrastructure improvements developed to assist continued maintenance and repair of existing infrastructure.  - e.g. Seatown Bridge, Lossiemouth.	S    M	MC, local Trusts, MTD Ltd
<b>6 Visitor Orientation</b> Provision of clear arrival and information points, located to improve visitor access to heritage facilities and other attractions, food and drink, retail and leisure facilities. It includes development of suitably located car and coach parking facilities.  - Potential Visitor Information Centre relocation (potentially including reuse of existing landmark buildings): Elgin; Forres  - Coach drop off facilities: Elgin; Keith; Forres	S   S/M	MC, HIE, Visit Scotland, MTD Ltd
<b>7 Business Development Support to hoteliers/ restaurateurs.</b> The accommodation sector in Central Moray is structured to meet business and contractor demand. Business development support, including marketing, and business development advice will be developed to assist restructuring for the tourist and visitor economy.	S/M	Business Gateway, UHI, MC, MTD Ltd, MSEN



## BROADENING AND DEEPENING THE ECONOMIC CONTRIBUTION OF MORAY'S EDUCATION AND HEALTH INFRASTRUCTURE

Project	Timing	Responsibility
<b>1 Completion of Moray Life Science Centre</b> (a joint Moray College/NHS Grampian/HIE initiative) as a key research, education and continuing professional development facility for the life science sector.	S	UHI, NHS Grampian, HIE, MC
<b>2 Promotion of Specialist Research Chairs</b> Specialist Research Chairs will be supported to embed E-Health research in Elgin and raise the prospects for attracting related companies to commercialise and apply related opportunities. These chairs should be supported by UHI specialist researchers. <ul style="list-style-type: none"> <li>- Establish E-Health Research Group</li> <li>- Establish Chairs in Medical Web Science, Consumer Health Psychology and Mobile Health Technology with research support.</li> </ul>	S	NHS Grampian, HIE, UHI, Private sector
<b>3 Develop a Moray marketing proposition to Digital Health sector</b> Develop & market Moray package of: skills; academic facilities; demographic characteristics; and availability of related research and business premises to healthcare companies.	S	HIE, SDI, NHS Grampian
<b>4 Moray College Campus Redevelopment</b> Campus redevelopment will enable the College to provide a range of courses and facilities building on University status. It will assist staff recruitment and the extension of advisory and research capacity. Support for business case resubmission and development in the medium to long term.	S/M/L	UHI, HIE, MC, NHS Grampian
<b>5 Dr Gray's Hospital Redevelopment</b> Ongoing support for business case and development in medium to long term.	S/M/L	NHS Grampian, MC, UHI
<b>6 Serviced residential accommodation</b> Accommodation is required to meet: Dr Gray's staff requirements (trainee doctors and medical staff); and for those moving to Moray to study. To be provided in central Elgin.	S	UHI, NHS Grampian, private sector
<b>7 Innovation Networking</b> Establishment of forums bringing business, education and key stakeholders together to discuss new approaches to business development and sustainability.	S	MCoC, Findhorn Foundation, HIE, MC, MSEN

## DEVELOPING MORAY'S CULTURAL, HERITAGE AND ARTS ASSETS

Project	Timing	Responsibility
<b>1 A new Arts School/Centre.</b> An expanded Arts School would enhance Moray College's profile also supporting arts-based activity across Moray. To include theatre, performance, and exhibition space, as well as artists studios. (Central Moray/Elgin)	M/L	UHI, MC , Findhorn Foundation, HIE, MSEN
<b>2 Regional Sports Facility</b> Developing sports infrastructure will broaden the Moray's cultural profile and improve visitor infrastructure. It will also assist Moray College's efforts to attract students from further afield.	M/L	MC, UHI



## REINVIGORATING MORAY'S RETAIL, LEISURE AND CIVIC SECTORS.

Project	Timing	Responsibility
<b>1 Improved Regional Public Transport Links</b> Improved links to Elgin, Forres, Buckie and Keith from other parts of Moray will support their respective retail, leisure, civic, administrative and employment roles. Maintenance of a comprehensive public transport network - to meet peak hour and leisure time requirements – is critical. Proposed service enhancements will require liaison with businesses in the retail, leisure and other sectors.	M/L	MC, Transport Scotland, Network Rail Elgin BID and other town centre bodies, transport operators, MSEN
<b>2 Moray College/UHI Teaching restaurant</b> Moray College has established strengths in hospitality and leisure. It has an existing restaurant facility located in the campus. This would be relocated (or supplemented) in a centrally located property in Elgin.	S	UHI, Moray Council, EBID
<b>3 Townscape Heritage Improvements</b> A programme of improvements in the central areas of Moray's towns will be maintained to encourage continued investment by retail, leisure and commercial businesses. This will be reinforced by a centre –focussed approach to planning. Town centre uses will not be encouraged in other areas unless it can be demonstrated that strong physical links with the centre are in place and that additional business will be brought to the area.	S	MC, EBID and town centre bodies, private sector, Lottery, MSEN
<b>4 Business development &amp; support to the leisure and retail sectors</b> Development of a package of advice and training to assist town centre businesses, including: business consultancy; employee training programmes; events and promotional strategies.	S	MCoC, Business Gateway, private sector, MSEN
<b>5 Central Area Site Enabling</b> Town centres will only attract additional business activity if appropriate sites and premises are available. Assistance with site assembly to support key sector objectives will be provided including: planning and other advice and potentially proactive acquisition (including where appropriate the use of public sector assets).	S	MC, HIE, private sector

For alternative formats, languages or further information, please ask an English speaking friend or relative to:

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Write to: Project Officer (Equal Opportunities)  
Chief Executive's Office  
High Street  
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