

**Moray Economic Partnership – Meeting Note**  
**9<sup>th</sup> October, Springfield Properties PLC, Alexander Fleming House, Elgin**

Attendees	Cllr Cowe (JC) – Chair; James Johnston (JJ) – Vice Chair; Frances Webster (FW) – Skills Development Scotland; Andrew Fowlie (AF) – NHS Grampian; Tom McGarry (TMcG) – University of Highlands and Islands; Margery McLennan (MM) – Chamber of Commerce; Richard Hartland (RH) – Moray Council; David Oxley (DO) – Highlands and Islands Enterprise; Rachel MacKenzie (RM) HIE Western Isles; Ranald Robertson (RR) – HITRANS; Cllr Murdoch (FM) – Moray Council; Cllr Leadbitter (GL) – Moray Council; David Duncan (DD) – Moray Council; Gordon Sutherland (GS) – Moray Council; Shelley Lawson (SL) – Moray Council; Jim Grant (JG) – Moray Council; Gordon Holland (GH) – Moray Council; Stephen Cooper (SC) – Moray Council; Stuart Black (SB) – Highland Council; Jane Cuming (JC) – Platform PR; Dawn McNiven (DMcN) – Platform PR; Sandy Adam (SA) - Springfield Properties; Giles Hamilton (GH) – Accunostics;
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**1. Open Meeting**

JC Opened the meeting and asked everyone to introduce themselves as there were a number of new people.

**2. Welcome from Sandy Adam, Springfield Properties PLC**

Sandy Adam welcomed the group to Springfield Properties and told the story of how Springfield was established, explaining that it grew from the family farming business moving from contracting others to build to the point Springfield formed as a construction company. In October 2006, steps were taken to secure the business by selling land and moving into affordable housing. Early 2010 saw a move into the central belt which now has an office with 60 staff based in Larbert. Springfield currently employ 320 direct employees and expect next year to have an £80million turnover. The group includes Northern Asbestos which employs 50. Sandy explained that the Springfield Group also has a business in Berlin and went on to say how much easier the planning process has been with RH as director.

Sandy felt that a common feature in Moray is that successful companies produce quality products.

Following Sandy's conclusion, The Chair advised the Group that RH would be retiring from Moray Council on 7 November and extended his thanks to both Richard and his team while wishing him a long and happy retirement.

**3. Apologies:** George McNeil, Moray Chamber of Commerce

**4. Additional Item –**

JJ provided the meeting with an update on both the Scottish and Global Economy; he had been to a recent IoD briefing and felt the Group would benefit from the information conveyed. He was keen to set the context in which the Moray economy will have to operate. Of note, one of the major concerns for economists is that the current market is currently driven 'solely' by demand; in

order to develop the market there had to be more of a focus on the 'supply side'; this would help drive diversification and better support the creation of a more sustainable economy. Further, the rate at which the money supply is currently bailing out the economy is unsustainable; quantitative easing and austerity is not a credible method of developing a sustainable economy – rather it creates the conditions for the 'supply side' to develop and that then takes the economy forward.

## **5. Meeting 6<sup>th</sup> August 2013**

A number of items were highlighted while going through the previous minute:

- JC thanked those involved on the evaluation panel for their work in appointing the new PR Company Platform PR.
- Broadband – it is anticipated that there will be a 93% coverage in Moray in the next 2 – 3 years.
- The Elgin BID food and drink event held in September was a successful event
- Reni Milburn has now attended the groups in order to discuss and highlight the European Funding
- In relation to the new College campus, the College have now taken occupation of 2 floors which are currently being furnished and they hope to have the bottom floor by the end of next week. The facility should be functional by the return from October break. TMcG thanked RH for all his help with this project in relation to proactive planning and meeting the requirements of the building standards.

Following these points the minute was then approved.

## **6. Chairman's Update**

The chair gave the group a list of his recent engagements:

- 8 Aug – Business Gateway
- 13 Aug – CARS
- 14 Aug – RAF Update
- 16 Aug – Business Gateway
- 22 Aug – Crisp Malting in Portgordon
- 2 Sep – Chaired the Moray Town Partnership & also attended a meeting regarding the Buckie Shipyard with Fergus Ewing
- 3 Sep – Further meeting regarding Buckie Shipyard
- 4 Sep – PACE event at the Marine Hotel Buckie regarding Employment opportunities for former shipyard workers
- 6 Sep – Moray Chamber of Commerce Annual Awards
- 11 Sep – HIE delivered a presentation on BT to the Council
- 12 Sep – Met with Northern Oils regarding their plans for the future
- 13 Sep – SCDI Dinner in Inverness
- 14 Sep – Meeting about the Whisky Hotel at Coleburn
- 19 Sep – Lossiemouth High School fundraising dinner
- 20 Sep – Meet with the Northern Scot regarding the Elgin Bypass
- 21 Sep – Opened Lossiemouth Flower Show
- 22 Sep – Marine Scotland beach clean

- 23 Sep – Attended the Grampian Food Forum
- 24 Sep – Meeting with Springfield
- 25 Sep – Attended Hopeman harbour support group
- 26 Sep – SCDI Dinner

## 7. How MEP can assist in the Development of Life Science?

AF gave a presentation to the Group and explained that with the pilot projects and academic research taking place in Moray, there are opportunities to enable companies to apply this learning and develop products for the market place. AF advised that there is a renewed life science strategy for Scotland “Creating Wealth, Promoting Health” AF went on to explain that a Dutch company is potentially coming to Moray, AF and DO are due to meet them shortly. The Government is launching an innovative procurement process and an innovation fund. Having updated the Group on the background AF went on to say that it is ‘now or never’ for the MEP and asked what the Group’s vision was, AF explained that we need a process and a plan along with incentives for people to move to Moray. AF then handed over to DO

DO continued the discussion that AF had started by explaining that the partnership needs to work on Inward Investment and also needs the people, property and high speed broadband to entice incomers to the area. The biggest challenge for growth is providing the appropriate skills to meet the growth opportunities.

GH Advised the group that Accunostics has been lucky enough to raise £5.25million in venture capital , two thirds of which gets expended locally. He further advised that 86% of small R&D start-up companies don’t succeed.

AF summarised by explaining that the suggestions given can either be developed or taken off the table but there is a huge challenge to get amplification in Moray. There is a plan to host a high profile event in the new life science centre building.

DO explained that if Moray is going to grow then young people need to be engaged.

**ACTION** – GH to circulate presentation as well as matrix to show how Moray scored when Accunostics were deciding where to locate

**ACTION** – It was agreed that a working group could be set up to include Moray Council, HIE, Skills Development Scotland, Moray College UHI and Moray Strategic Business Forum to explore and support the development potential of the sector.

## 8. Highland Economic Strategy Group

SB gave a presentation explaining that the Highland Economic Forum was established a few years ago and delivers the Economic arm of the Highland Single Outcome Agreement. SB explained that we need to start building on a ‘Scotland Wide’ approach rather than such small areas. SB then extended an

invitation to attend the Highland Economic Forum in November date to be notified.

SB confirmed the following areas for potential collaboration between the Highlands and Moray:

Life Science Corridor

Further development of business support activities including Business Gateway

Trunk Road upgrades A9, A96, A95

Rail Improvements, Aberdeen-Inverness (Dalcross Station)

Air Access Inverness and Aberdeen to London and the continent

## **9. How Can Moray Increase Its Industrial Portfolio**

It was agreed due to time constraints that this item would be deferred to the next meeting. RH advised the key message is that historically the Moray Community invested to establish an Industrial portfolio which has been successful but now running out of serviced space and land so how does the community invest in future, who else can partners with us and deliver for us? The challenge is to think how to provide for the future needs. DO cited Elgin Business Park as an example of a different funding model SG and HIE had helped to implement.

## **10. MES Transportation Programme**

SC gave an update on the situation in Buckie Harbour explaining that it is in a transitional period at the moment but has been in decline due to lack of capital expenditure. Buckie shipyard is now in administration but businesses have come forward with potential opportunities. SC explained that they would like to see the harbour expand and that there is an existing ERDF funded partnership project which includes £750,000 for small units to be constructed at the old fish net store site. There are opportunities for offshore energy operations and maintenance companies to base operations in Buckie but this will be a competing position. Buckie is more of an all weather port with a greater skills base than some of the competitors. It was explained that the licence for windfarms will not be issued before the end of 2013 / early 2014 and at this point a decision operators will decide where operations and maintenance will be placed.

DO explained that over 20 businesses are interested in taking over the site at the Buckie Shipyard but the administrators will determine the best option to satisfy creditors.

RH advised that an oil and gas task force has been set up by MSP Fergus Ewing, RH and JC will meet with him on 10 October 2013 to discuss. SB of Highland Council sits on one of the working Groups. Development in Aberdeen is beginning to overheat and the government is looking to facilitate serading the benefits of employment in the oil and gas industry across the north of Scotland. Energy North will facilitate the task force which will operate for 2 years  
In response to a question raised by MM, DO advised that the O& M feasibility study will be complete around November

GH explained that there are a lot of projects under the transportation programme which are out with the Control of the Group. Baseline Information is currently being gathered for Transport Scotland on the dulling of the A9 and A96. This

includes information to support the economic justification. GH advised the economic justification is apparent including the evidence gathered by SCDI. Decisions will be made over the next few years about the route. These decisions are vital to how Moray works and we need to ensure the Moray voice is heard in particular that Elgin and Keith to be bypassed early in the project schedule. Transport Scotland will be giving a public exhibition on route options in the next 18 months.

Following discussions around the importance of the A95 road through Moray for freight haulage and tourism it was acknowledged that the Transportation Group can't do the work that needs to be done but that they can lobby for improvements with neighbouring authorities and Transport Scotland and the Minister to make improvements and to influence any decisions to be taken. Further that there is precedent from other regions of Scotland for interventions and improvements out with the STP e.g. Berrydale Braes.

RR advised that Hitrans will through MEP contact the Scottish Government with an offer to match fund a study to identify small scale incremental improvements to address the constraints of the A95. The study would look to focus on low cost improvements that could have the biggest impact. Any study should include information on the traffic lights on the A95 (Mains of Daway, Cromdale etc.) which cause a lot of problems for drivers. It was agreed that an approach from the MEP would carry more weight than one individual partner.

GH considered that since the A95 was not identified as a priority by Moray in the STP, there had been a material change in the amount and type of traffic using the road, this had not anticipated the massive growth in production and associated transport for the whisky industry. RR advised that the hauliers were recognising road transport alone might not be able to cope with the volume of goods that need to be transported to support the growth. The Lifting the Spirit pilot showed that 17-20 lorries could be removed and replaced with 1 train for whisky transport.

JJ offered to write to the co-chairs of Scottish Parliament Cross-Party Working Group on Scotch Whisky at Holyrood; it was important that our Parliament understood the detail and breadth of the issue if appropriate support was to be rendered. He would however need the facts/detail; it was important that our MSPs formed an opinion based on the facts of the matter.

**ACTION** GS to work with GH & RR to draft a letter to Scottish Government setting out proposal to study sections of the A95 for improvement.

RH advised that he would find out more information regarding times of any announcements during his meeting with Fergus Ewing and would pass this information onto the Group

## **11. Moray Council Draft 10 Year Plan**

RH introduced the report explaining that it has been done with a view to making long term savings but also to understand how services are delivered. Moray Council are looking to produce a 10 year plan and then a 4 year plan. The

document is currently in a very early draft but lots of gaps need to be completed. The Moray Council would like the input of the MEP on this document.

**ACTION** – Any comments on the 10 year plan should be submitted to RH by 18/10

## **12. Governance & Assurance**

JJ explained to the Group that the work being done needs to be measured; the Partnership needs to be able to demonstrate good governance and provide Ministers with the assurance that we are a credible driving partnership in the development of Moray.

Of note the idea of having Key Performance Indicators (KPIs) was taken to the Programme Management Cohort Group and they felt they wanted to get together and discuss this further; this would now form the focus of the next cohort meeting.

JJ advised that he would like to run at least one workshop with the cohort, which would last for a half day, and would look at accountability; in addition he explained that there was a need for a coherent Engagement Strategy. JJ would facilitate the workshop. Attendees need to come prepared with a clear idea of what their area of responsibility is determined to deliver and what they 'feel' their terms of reference should be.

DO advised that he felt this was a good idea and that he would provide the venue and catering for the event.

## **13. Hot Topics**

(a) GS welcomed Jane and Dawn of Platform PR for the next 18 months. Jane explained that they are delighted to have the contract. They feel they know Moray well and know the media well, they have some great ideas just by listening in to the meeting.

**ACTION** – GS to arrange an inception meeting

(b) Findhorn Bay Arts Culture Day and Moray Oktoberfest are examples of community initiatives which intended to assist the local economy and raise the profile of Moray to visitors. The Findhorn Bay Arts Festival is one of three events in planning as part of Homecoming 2014.

(c) SF to send out a doodle for meeting dates in 2014

## **14. Dates for Noting**

The Group noted the Leadership Cohort meeting in November and also the Tourism Stakeholder Event to be held in March 2014

## **15. AOCB**

(a) DO raised the issue of the travelling community whilst trying to attract inward investment. According to research carried out by staff at HIE there were 400 days over the last 4 years where travelling people were in situ at Enterprise Park Forres. David felt it was difficult to attract inward investment, and

businesses to the enterprise park when the travelling people were leaving such a mess, he also felt that it was largely due to there being no halting sites in Moray. Accunostics offered to make a financial contribution to help with this.

JG advised that based on comparisons with neighboring authorities and the characteristics of travelling families i.e. they don't locate together, that 1 halting site would not be enough

(b) JC read a letter of thanks from the Chamber of Commerce for sponsoring an award at the Business Awards Dinner.

#### **16. Future Meetings**

- Tuesday 3<sup>rd</sup> December, 930am: Moray College Life Science Centre
- February 2014
- May 2014
- September 2014
- December 2014