

## Moray Single Outcome Agreement - National outcome 3.

We are better educated, more skilled and more successful, renowned for our research and innovation

### Local Context

There is an imbalance of available skills compared to demand within Moray. Though the employment rate is high, it is not considered that the skills of the residents are being utilised or developed to their full potential. In comparison, Moray's workforce is not as qualified as other areas in Scotland. In relation to essential skills, Moray is able to provide these skills to those who increasingly have requested it but, just like national counterparts, is not meeting its unmet need. To address this imbalance, more training within employment is required along with improving essential skills to reduce any economic inactivity through developmental support.

### The number of work-based training opportunities within Moray will increase

Qualifications data from the Labour Force Survey (LFS) published on Scottish Neighbourhood Statistics (SNS) shows a consistently smaller, though increasing proportion of the Moray labour-force hold degrees, 10% in 2004 rising to 12% in 2006, which compares poorly to Scotland, 17% rising to 19%. The same is true for three-plus Highers, Moray 34% in 2004 increasing to 38% in 2006, compared with Scottish figures of 42% in 2004 rising to 45% in 2006. In terms of basic skills the figures also reveal the Moray labour force with no qualifications was 17% in 2004 falling to 15% in 2006, compared with 16% in Scotland in 2004 falling to 14% in 2006.

Moray College has increased its higher education activity quickly in recent years in the context of its UHI Millennium Institute partner status, however it will take the granting of university title to UHI before the full benefits of a higher education presence in Moray will be felt. The benefits will not only be by way of the growth of student activity in such areas of the curriculum as Fine Art but also in the development of more research activity. These developments have the potential to stem some of the outflow from Moray of those members of the community who leave the area to gain access to higher education as well as providing attractive new opportunities for students to move into the area. The development of a more significant higher education presence has the potential to create more professional and highly paid positions in Moray.

For those in employment, data from the LFS, published on SNS, suggests that the percentage of employees in Moray receiving job-related training fell from 34% in 2004 to 26% in 2006. During this period the Scottish rate also fell to a lesser extent from 31% in 2004 to 30% in 2006. Moray College in academic year 2005-6 had approximately 6,800 enrolments including a number in HIE Moray target sectors with 2,000 in knowledge economy related activities (IT and computing), 170 engineering and 110 tourism/hospitality.

### Research & Development

The most productive sectors in Moray, that is where share of GVA is greater than share of employment, are financial and business services; agriculture and forestry; and manufacturing (including food and drink). However Moray is under-represented in the knowledge economy. This does not mean that there are not individual companies within the area that are knowledge intensive; rather the overall contribution of knowledge-intensive industries is below average. The activities of what are considered the knowledge industries contributed GVA of £64m. There is significant potential for the development of research and development on growth sectors and areas of strength in Moray.

As envisaged by Moray 2020 the area is starting to see the emergence of research activity. This is vital if Moray is to create a strong, knowledge-based economy. Examples of this can be found in the formation of Distance Lab and in the continuing development of the Sustainable Development Research Centre. In addition to this, the key local public agencies have formed a Moray Research Group under the leadership of HIE Moray in order to take a more strategic and coherent approach to research and development. This partnership approach is already beginning to produce results with proposals emerging for PhD students to be undertaking studies that are supportive of the research activity being undertaken locally by NHS Grampian. Moray College is also taking forward plans to create a research centre in Fine Art.

Local outcomes	Relevant Indicators	Frequency / Type / Source	Baseline (2006/07)	Local Targets & Timescales
<p>The number of opportunities for people to become more educated, skilled and successful will increase</p>	<p>L8. Qualification levels within the local workforce</p>	<p>Nomis (nomisweb.co.uk)</p>	<p>Moray Jan-Dec 2006; NVQ4 and above = 27.5% vs 32.1% Scot</p> <p>NVQ3 and above = 45.3% vs 51.3% Scot</p> <p>NVQ2 and above = 67.7% vs 68.9% Scot)</p> <p>NVQ1 and above = 79.5% vs 79.3% Scot</p> <p>Other qualifications = 6.0% vs 6.9% Scot</p> <p>No qualifications = 14.6% vs 13.7% Scot</p>	<p>Increase Moray position compared to Scotland as a whole at each level</p>
<p>The knowledge economy will be supported to grow</p>	<p>No of people studying further/higher education in Moray</p> <p>NI 1 at least halve the gap in total research and development spending compared with EU average by 2011</p>	<p>More Choices More Chances Strategy report - Policy Committee App 1 – 19/12/07</p> <p>National and international figures from ONS, Scottish Government and OECD annually. Moray source to be established.</p>	<p>Academic Year 2005/0 - Approx. 6,800 enrolments at Moray College</p> <p>The average level of research &amp; development spending in the EU</p>	<p>Increase number of enrolments at Moray College</p> <p>Increase the level of R&amp;D spending as a % of GDP</p> <p>Support new research and development projects</p>

Required Actions/commitment by local partners for these outcomes	Project	Objectives/Comment – 08/09	Lead	Year
<b>Better trained workforce</b>	Development of a high quality Moray business leadership programme  Pilot volunteer recognition programme with Moray Council  Research and development in distance technology	Recruitment of a cohort of business leaders thereby leading to improved GVA and productivity  To be considered during 08/09	HIEM  TMC	08/11  08/09
<b>Development of research and development focussing on growth sectors and areas of strength in Moray</b>	Developing a Sustainability Cluster	Under way  Scottish Centre for Sustainable Development Development of a Sustainability Group. There are a number of organisations and stakeholders active in sustainability in Moray. This in an initiative to identify these, bring them together, look for common opportunities and barriers and then do something about the opportunities and barriers, thereby leading to improved GVA and productivity. Under way. Project will deliver GVA growth, productivity and population benefits.	UHI / Distance Lab  HIEM  HIEM	08/09  08/10
<b>Scottish Government required action/commitment to support delivery of local outcome</b>	Research and development in distance technology  ➤ Support the granting of university status to UHI		UHI / Distance Lab	08/09