

1.0 EXECUTIVE SUMMARY

This business case sets out a proposal for a Moray Life Sciences Centre in Elgin. This proposal very much has its origins in *Moray 2020*, a combined strategy and action plan that was drawn up by HIE Moray in 2005 on behalf of the Moray Local Economic Forum. The overarching aim of the strategy and action plan was the diversification of the Moray economy in response to the restructuring of the RAF bases at Lossiemouth and Kinloss.

Not only did *Moray 2020* concern itself with the over dependence of the Moray economy on the RAF presence but it also highlighted other major and persistent weaknesses in the Moray economy, including low wage rates and the continuing loss from the area of many of its young people because of a lack of suitable employment and higher education opportunities.

The strategy as laid out within *Moray 2020* envisaged a stronger, knowledge-based economy that would address the underlying deficiencies of the area's economy and which would lead to the area obtaining an increased share of the prosperity available by way of Moray capturing a greater share of growing sectors. This would, however, necessitate some bold investments in new assets and new people.

Moray 2020 also regarded the emergent University of the Highlands and Islands as having a pivotal role to play in bringing about this economic transformation to the area by regarding the development of greater and higher learning opportunities and research as a foundation stone.

A key, specific, theme that *Moray 2020* posited was the necessity of "Realising and marketing Moray's Health and Social Care Potential."

This suggestion was followed up a series of studies and documents that were intended to establish whether Moray did indeed offer such potential and a scoping exercise concluded that the health care sector in Moray had key strengths which could be leveraged in order to generate new and growing economic activity for the area.

This conclusion led to HIE Moray and NHS Grampian to identify the potential for developing a Life Sciences Centre in Elgin which would act as a focus for a co-ordinated response to the actions identified in *Moray 2020* and to encourage, enable and facilitate developments in a range of health care initiatives in Moray that it was felt could be broadly categorised as "Life Sciences".

The Life Sciences Centre was to be based at Dr Gray's in Elgin but this was subsequently switched to the main campus of Moray College UHI when it was concluded that there was insufficient space for this new facility to be accommodated at the hospital.

The approach to Moray College UHI arose at a time when the College was heavily involved in pursuing major improvements to its main campus. The

necessity for this was also very much to the fore in *Moray 2020* which regarded Moray as being well-placed to exploit the fact that learning was fast becoming a global commodity but recognising that for this to happen would require the development of a new learning campus in the centre of Elgin for Moray College UHI projects.

Although the development of this proposal clearly has its origins in *Moray 2020*, the partners involved also regard the development of a Life Sciences Centre in Elgin as having the strong potential to assist the achievement of the Scottish Government's Economic Strategy in the Moray context. The partners are also in no doubt that the Centre will make a contribution to meeting the Scottish Government's five strategic objectives via the development a facility aimed at developing one of their key sectors, i.e. Life Sciences.

The development of the Life Sciences sector is also identified as having high growth potential for the Highlands and Islands in HIE's 2008-11 Operating Plan.

Support for the development of a Life Sciences Centre in Elgin has the full backing of the Moray Community Planning Partnership and it features as a key action in the 2009 Single Outcome Agreement.

The strategic context for this development in respect of NHS Grampian lies in the principles of the Kerr Report which encouraged innovation within a modern health service as well as re-emphasising the point that economic impact is a key issue for all public agencies. More locally, the case being made here strongly resonates with the NHS Grampian's "Healthfit" planning and redesign process.

Moray College UHI is a major player within UHI Millennium Institute. There is now a growing expectation that university title will be obtained during 2010. Moray College has the highest number of Health and Social Care students across the UHI partnership and sees continuing opportunities to grow its higher education enrolments within the context of rapid growth that UHI has planned. As well as its UHI partnership status, Moray College continues to work with UHI colleagues to bring opportunities from other higher education providers to Moray, e.g. nursing degree offered by the Robert Gordon University. Moray College UHI has grown rapidly in recent years and the growth in turnover evidences the potential that exists for education and training to be a major economic driver in its own right.

It will be essential that the University of the Highland and Islands develops a strong reputation for research as well as teaching and it is no less important that Moray College UHI plays its full part in bringing this about. Health research has been identified as one of UHI's key research areas for development. Although the College has taken important internal steps in the recent past to bring about a research culture to the organisation, it is working

with other organisations and researchers that much more rapid progress will be made.

It was with this in mind that steps have been taken during the period in which this business case has been developed for the College and NHS Grampian to demonstrate the potential that exists to collaborate in order to ensure that the existing research being undertaken by health professionals in Moray can begin to be harnessed and find expression. This has so far involved a highly successful e-health symposium in May 2008 which is to be followed up in September 2009. This has also seen a local Consultant, Grant Cummings, becoming an Honorary Professor of UHI Millennium Institute and the imminent appointment of a PhD student who will be supervised by both organisations.

The potential to build on what is already happening is held to be considerable but this requires facilities that are much more likely to be conducive to bringing this about and which will house an appropriate and supportive infrastructure.

With this in mind, the Moray Life Sciences Centre will be a facility that will act as a focal point for health care education, research and enterprise activities. The Centre will encourage, facilitate and enable growth, interaction and innovation in life sciences and will provide a springboard for the development of a centre of excellence within the Moray area.

NHS Grampian requires much better provision for staff training and education along with space for research and seminars as they drive forward a sustainable agenda for Dr Gray's Hospital in Elgin. The sharing of education, training and research facilities will reduce costs while at the same time providing modern high quality provision for all. The facilities will assist in the attraction and retention of staff and will provide an inspiration for innovation within the National Health Service. The provision for community training for patients will enable a series of initiatives aimed at service delivery in the community to create delivery models that will reap the benefits of the new technologies and produce efficiency savings.

The Moray Life Sciences Centre will provide the facilities required for the growth of a specialism in Moray related to the use of IT in providing solutions for health and care provision for rural and remote areas. The Centre will capitalise on existing initiatives that have been piloted within the area but lack the facilities for the next stages of development.

Within a small region such as Moray, all agencies need to address the leakage of training costs outwith the area which can only be addressed by way of the provision of a high quality local alternative.

The new Life Sciences Centre will be integrated with the Moray College UHI Campus and will be the first phase of the master plan designed to deliver the College's aspirations to create a unique, fit-for-purpose estate that is flexible

and which can be readily adapted to the changing dynamics and needs of education in the 21st Century.

Moray College and its advisors have a proven track record for successful delivery of capital projects and, accordingly the Project Team is determined that the project will be managed effectively and to the highest standards of accountability and transparency. This will include ensuring that the College manages the project in line with Scottish Funding Council (SFC) and Scottish Government guidelines on the management of construction works in order that costs are controlled and both programme and quality criteria are accommodated.

The preferred option has been developed by LDN Architects and their team over the period from September 2008. This development has been carried out in close collaboration between Moray College UHI, NHS Grampian and HIE Moray in order to arrive at the optimum solution to meet the project brief.

The proposed new Moray Life Sciences Centre will have accommodation laid out on three levels which correspond to the functional units identified in NHS Grampian's initial brief. A new circulation "street" will also provide break-out, exhibition and circulation space and provide connectivity through to the Beechtree Restaurant and other parts of the campus.

A risk management strategy has been developed for the project and an initial risk register has been developed. This will be a dynamic process with the risks continually being reviewed and updated. The risks identified at present were taken into account when setting the level of optimism bias included in the costs detailed above.

The College and its advisors have developed a programme and decant strategy that allows the project to be delivered within an acceptable timescale to all stakeholders whilst minimising the disruption to the students, staff and visitors to the College during the construction works. The team recognise that particular emphasis must be given to ensure that the morale of staff and students remains positive throughout and that any disruption to the delivery of teaching is minimised.

The Moray Life Sciences Centre has the potential to deliver many benefits, including:

- Diversification of the economic based and thus a lessening of the dependency on the RAF presence.
- Important contribution to the development of a knowledge economy in Moray.
- Additional employment as new activities arise and existing activities expand.
- Higher paid opportunities given the professional nature of the envisaged additional positions.

- Retention of the local population (and in particular younger members) by way of an expansion in the higher education opportunities that are offered locally.
- A greater likelihood of persuading other Higher Education Institutions to offer their courses in Moray, thus assisting with population retention.
- Attraction and retention of health care and other staff by providing high quality and accessible local training and development opportunities.
- Attraction and retention of health care and other staff by providing research opportunities.
- Sustainability of services by way of greater retention of staff.
- Sustainability of services by way of greater service innovation.
- Provision of an environment within which existing research activities can be better supported and nurtured.
- Provision of high quality, readily available, facilities to offer prospective research-based organisations.

