

Moray Community Planning Partnership



 ACCOUNTS COMMISSION

 AUDITOR GENERAL

Prepared by Audit Scotland
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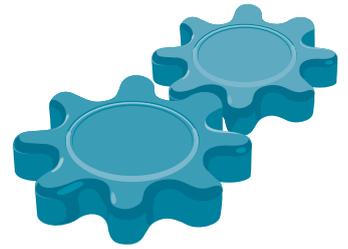
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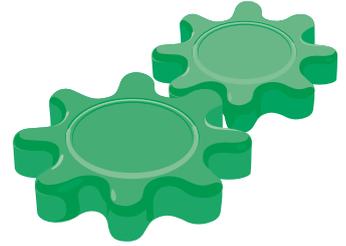
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Exhibit data

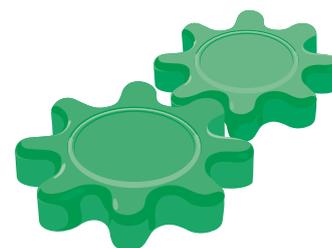
When viewing this report online, you can access background data by clicking on the graph icon. The data file will open in a new window.

Commission findings



- 1** The Commission notes the report by the Controller of Audit and the Auditor General for Scotland on community planning in Moray.
- 2** Moray Community Planning Partnership (CPP) has made significant progress over the past year. Its Area Based Review and ten-year plan has given it a much better understanding of the needs of Moray and it has now established a clearer strategy with economic development as a clear priority. But we note that it is only in the past year that the partnership's momentum in leading community planning has started to gather pace. This pace needs to be maintained.
- 3** The Commission acknowledges a good record of partnership working in Moray, particularly in health and social care and in economic development, but much of this has been achieved without the leadership of the CPP and as a result of reacting to national policy or specific local initiatives. The CPP Board has recognised the potential in these models being applied in other areas of partnership working. The board needs now to take a stronger lead to deliver more value from the activities of the partnership.
- 4** The board has only recently started to improve how it carries out its role and ensure more consistency of input from partners. It has also been looking at other CPPs and engaging other external input as it considers how to improve. Nevertheless, more progress needs to be made by the CPP in the following areas:
 - reflecting its priorities through shifting its resources
 - establishing a clear preventative strategy
 - implementing its proposed approach to performance management
 - implementing its proposed approach to scrutiny and challenge of the partnership's progress, and of partners' contributions.
- 5** We note that there is some evidence of improved outcomes in, for example, school attainment and in diversifying the economy. We also note less progress in other areas such as smoking, obesity and alcohol. The CPP still needs to do more to fully demonstrate sustained progress against all of its priorities and its impact on people's lives.

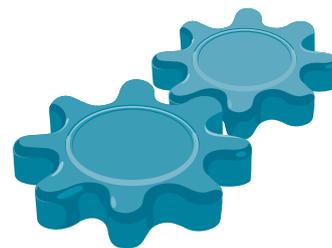
Key messages



- 1** Over the past year, Moray Community Planning Partnership (CPP) has made important improvements in the way it carries out its role. After many years of limited progress in establishing effective arrangements for community planning in Moray, the partnership is now starting to provide stronger leadership. It is showing a willingness to take on difficult issues, but many of these developments are still at an early stage and it is too early to tell if they will be successful. It is therefore important that the partnership sustains this recent pace of change.
- 2** Moray CPP now has a clearer strategic direction. It has identified economic development as an overriding priority, necessary for addressing its overdependence on military employment. In addition, an Area Based Review has given Moray CPP a much better understanding of the strategic challenges facing the area and the needs of local communities. This has been used to develop a ten-year plan, which provides a greater focus on local priorities and improving outcomes.
- 3** Over the past year, there have also been improvements in the way that Moray CPP is run. The board is starting to provide leadership for partnership working in Moray and to discuss important strategic issues. However, it still has some issues to resolve in terms of further developing its leadership and challenge role and improving its working arrangements. Its revised structure of supporting theme groups and proposed new approach to performance management and scrutiny look sound. But it will be some time before these changes will be fully established and are able to demonstrate that community planning has had an impact in improving the lives of people living in Moray.
- 4** There are good examples of partnership working within Moray. Most are the result of national policies or local initiatives between individual organisations, rather than the result of direction from Moray CPP. Many areas of partnership working are now being brought under the oversight of Moray CPP, but the board needs to take a clearer lead in driving further partnership working. The board has started to address the need to align partners' resources to community planning priorities, and it now needs to reach agreement on this difficult area.

- 5** The lack of performance monitoring makes it difficult to assess the impact of community planning in Moray. However, the information that is available suggests that progress has been made in a number of important areas, particularly school attainment levels and the training and employability levels of the workforce. There is also evidence to show some success in diversifying the local economy, with a shift in jobs from the public to the private sector. In general, people living in Moray are healthy, but the CPP has not been successful in tackling specific local health issues of alcohol abuse, obesity, and smoking.

Background



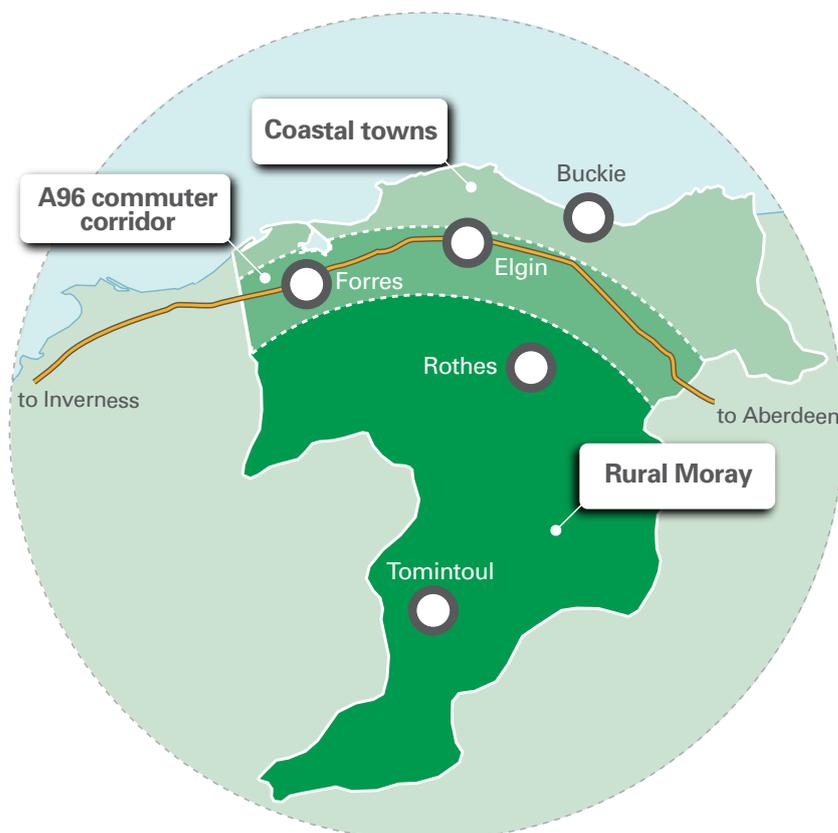
Moray

1. Moray, situated between Aberdeenshire and Highland, comprises three main areas ([Exhibit 1](#)):

- A coastal region, including the industrial port of Buckie.
- An urban section consisting of towns such as Elgin and Forres along the A96 commuter corridor to Inverness and Aberdeen.
- A large rural area stretching down the Spey valley from Rothes to Tomintoul and beyond.

Exhibit 1

The three main areas of Moray

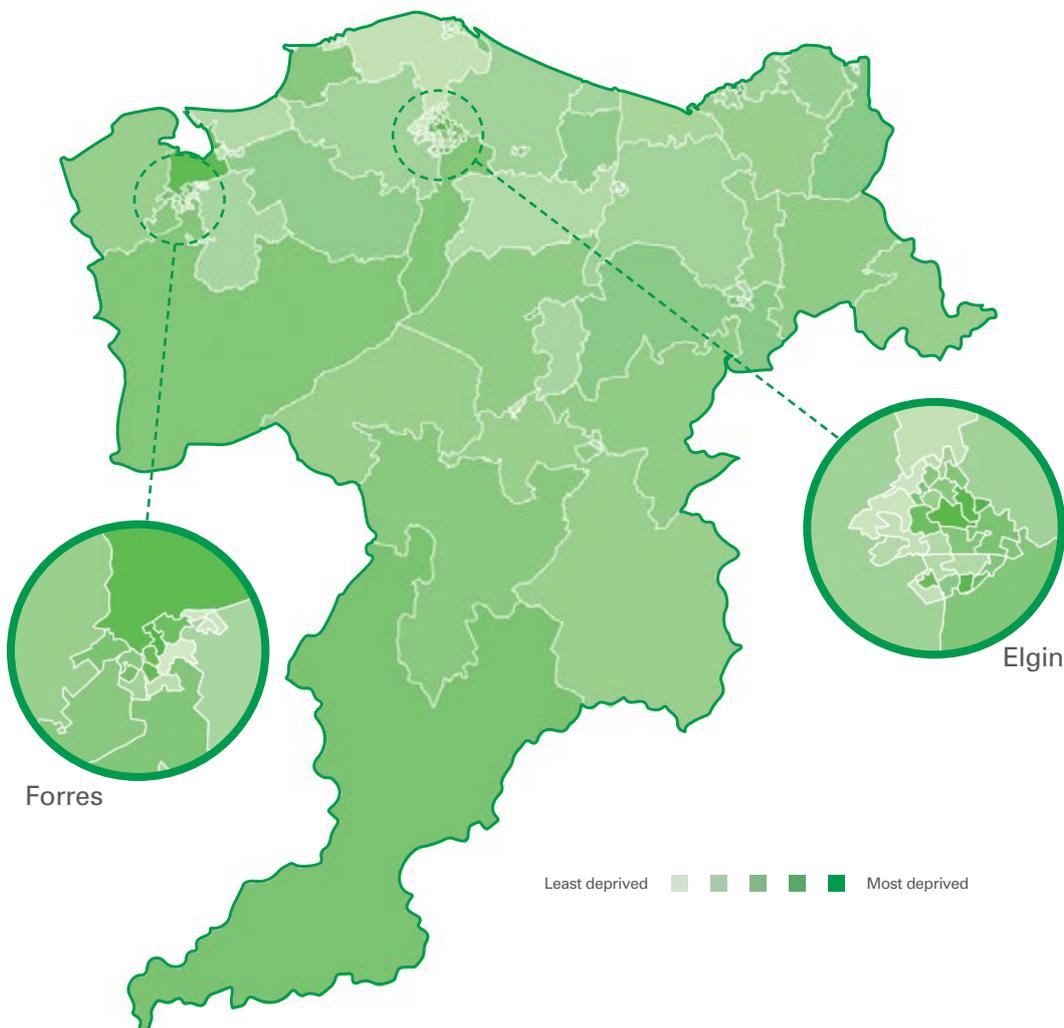


indicators show Moray as a good place to live, however issues include alcohol misuse, rural deprivation and workforce skills and pay

2. As might be expected for a relatively prosperous area, Moray contains a very low proportion of Scotland's most deprived areas. It contains 116 of the geographical areas or datazones used to compile the Scottish Index of Multiple Deprivation (SIMD). Of these, none was in the 15 per cent most deprived datazones in Scotland in 2012 ([Exhibit 2](#)). There are some areas of relative deprivation within Moray, but these are largely restricted to small pockets of Forres, Buckie and Elgin.

Exhibit 2

Affluent and deprived areas in Moray



Source: Scottish Index of Multiple Deprivation, 2012

3. Some caution is needed when using SIMD data to assess the level of deprivation in a rural area such as Moray. SIMD datazones tend to highlight deprivation where it is concentrated in specific urban areas. In a rural area, deprivation can be spread thinly across many zones. This is a particular challenge for public sector organisations in identifying where they should focus efforts.

4. However, by analysing more detailed indicators ([Exhibit 3, page 10](#)) we have confirmed the overall picture of prosperity that the SIMD data presents. Many indicators show Moray to be a good place to live compared with many other parts of Scotland. Life expectancy and employment, for example, are above the Scottish average, and crime levels are low. Performance is more mixed in some other areas: fewer people living in the area are educated to degree level or above and education attainment is slightly below the Scottish average. There are also local concerns about alcohol misuse and a low-wage economy. But, overall, Moray compares well with many other areas.

5. Within this overall picture, some significant issues in Moray need to be addressed. An analysis of the individual components, used to calculate the overall SIMD score, shows that many people living in Moray are classified as being deprived in terms of their ability to access services, such as closeness to schools or medical services. Thirty-two of Moray's SIMD datazones, representing over a quarter of its population, are in Scotland's 15 per cent most deprived areas for access to services. This is not particularly surprising, given the rural nature of much of Moray. But it does represent a challenge for delivering public services to a population that is thinly spread over a relatively large area.

6. Moray's employment rate of 78.3 per cent is higher than the Scottish average of 70.8 per cent. But the area does face significant economic challenges. For many years, it has had a low-wage economy. Gross weekly earnings of full-time employees residing in the area are £453,¹ significantly below the Scottish average of £498. More recently, it has faced uncertainty over the future of major military bases in the area, with the threatened closure of RAF Kinloss and RAF Lossiemouth. In the short term, this has been partly offset by the relocation of an army base. However, there has been increasing recognition that the area's economy needs to diversify and to become less reliant on military bases and public sector employment.

Community Planning Partnerships (CPPs)

7. CPPs exist in all 32 local authority areas in Scotland to coordinate and improve the planning and delivery of public services in an area. They aim to improve outcomes, such as life expectancy and employment prospects, for people living within their areas and reduce inequalities. They bring together:

- the public sector, including councils, health boards, police and fire services, housing associations and colleges
- the third sector, for example charities and voluntary groups
- the private sector, such as local businesses.

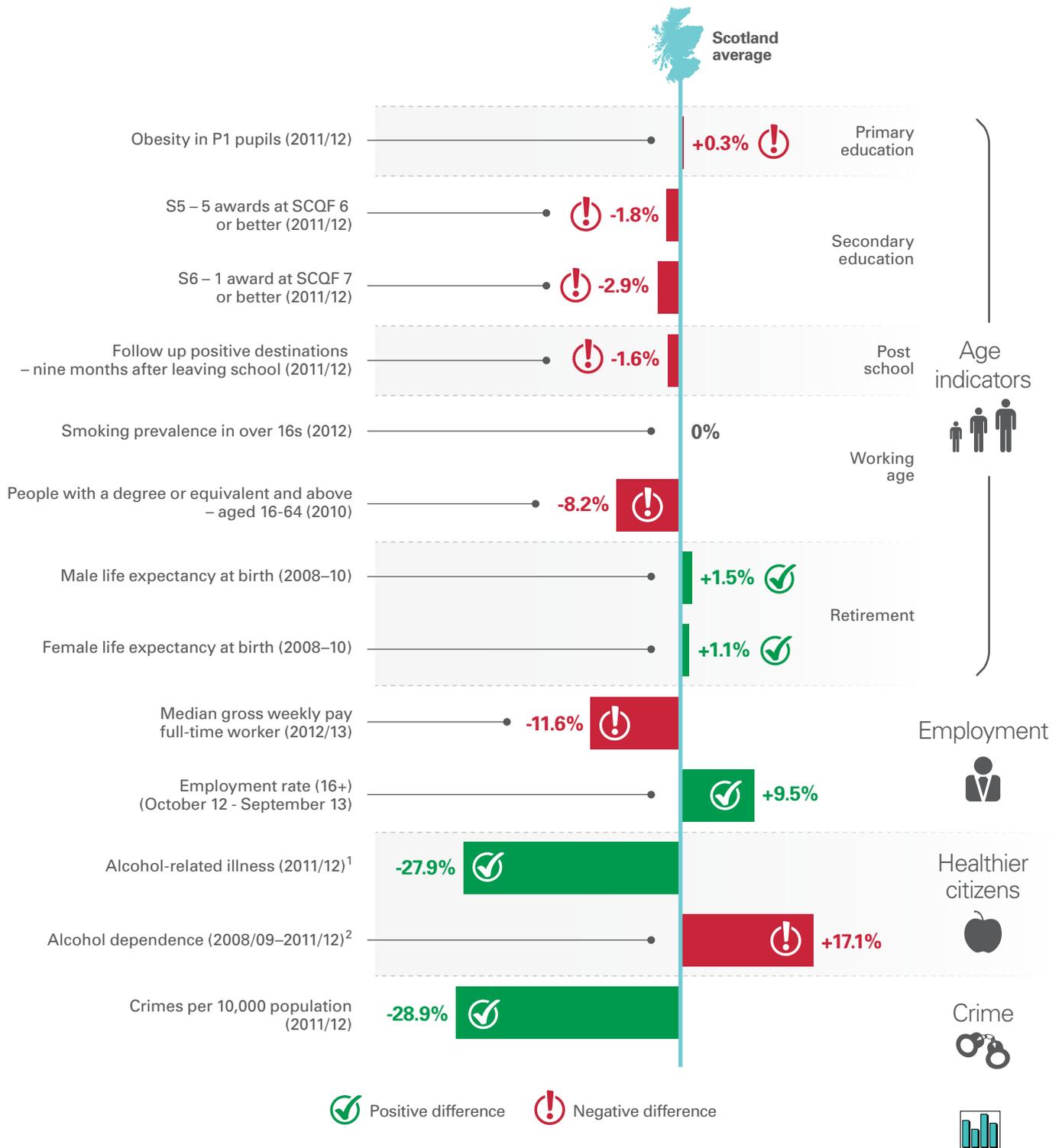
They include voluntary groups that operate at a local scale through to regional public bodies that operate across several CPPs. The Moray CPP has been in existence since 2001.

8. Following the Christie Commission report in 2011,² the Scottish Government reviewed community planning. In March 2012, the Scottish Government and Convention of Scottish Local Authorities (COSLA) agreed a Statement of Ambition, setting out their expectations for community planning.³ This looks forward to CPPs becoming the focus for improving public services at a local level.

Exhibit 3

Strengths and challenges in Moray

Comparison of selected indicators that identify what makes Moray a good place to live as well as specific problems, showing Moray against the Scottish average.



Notes:

1. General acute inpatient and day case discharges with an alcohol-related diagnosis in any position per 100,000 population.
2. Proportion of general acute inpatient discharges with an alcohol-related diagnosis in any position, with a diagnosis of alcohol dependence.

Source: Audit Scotland analysis of national data

9. Various ongoing changes in how public services are delivered affect CPPs. These include:

- the formation of national police and fire services
- the integration of health and social care services
- the reform of Scotland's colleges
- the recent announcement of the abolition of community justice authorities.

All of this is taking place within the context of falling public sector budgets.

About the audit

10. In 2012, the Scottish Government asked the Accounts Commission to lead audits of individual CPPs to assess their performance. During 2012/13, Audit Scotland reviewed three CPPs.⁴ Our audit of the Moray CPP is one of five that Audit Scotland is conducting during 2013/14.⁵ We carried out the audit shortly before Moray agreed its new ten-year plan for community planning.

11. This is a joint report prepared by the Controller of Audit and the Auditor General for Scotland under Section 102(1)(c) of the Local Government (Scotland) Act 1973 (as amended) and Section 23 of the Public Finance and Accountability (Scotland) Act 2000 respectively.

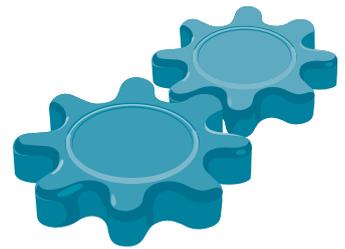
12. The objectives of the audit were to assess the following:

- To what extent has Moray CPP set a clear strategic direction, agreed by all partners, that reflects Moray's needs? [\(Part 1\)](#).
- Are Moray CPP's governance and accountability arrangements appropriate and do they allow it to improve outcomes for local people? [\(Part 2\)](#).
- To what extent does Moray CPP encourage collaborative behaviour among staff and use its resources, including money, staff and property, to deliver joint priorities and outcomes? [\(Part 3\)](#).
- How well is Moray CPP delivering the outcomes contained in its Single Outcome Agreements (SOAs) and is it reporting these clearly and accurately to the public? [\(Part 4\)](#).⁶

13. The [Appendix](#) outlines our approach to the audit. As part of the audit, we reviewed, in detail, two themes particularly relevant to Moray – economic development and the impact of alcohol abuse – to assess the effectiveness of partnership working in the area.

Part 1

What is the CPP aiming to do?



Key message

- 1 Moray CPP has recently established a clear strategic direction. It has identified economic development as its overriding priority. In addition, an Area Based Review has given Moray CPP a much better understanding of local trends and needs. This has now been used to develop a ten-year plan, which provides a greater focus on local priorities and improving outcomes.

In previous years, SOAs have not provided a clear strategic direction, but Moray CPP has now developed a much clearer vision and ten-year plan which reflects local priorities

14. Single Outcome Agreements (SOAs) were introduced nationally in 2007 as part of the concordat between the Scottish Government and COSLA. In 2008, these became the main planning documents for community planning. CPPs should use them to outline their strategic priorities, expressed as local outcomes, stating how they would contribute to the Scottish Government's National Performance Framework. Since 2008, Moray has had a series of SOAs. However, these have contained significant gaps and weaknesses. They have tended to follow closely a national template and set of priorities, with no clear statement on what matters most for people living in Moray. There has, for example, been virtually no reference to the difficulty of accessing services in such a rural area. Moreover, the SOAs have tended simply to reflect the existing strategies of local organisations, rather than provide a vision that covers all of them and helps them focus on joint priorities. The current SOA, developed in 2013, also contains some significant gaps, particularly in analysing past performance and setting future performance targets. As such, it does not provide a clear strategic direction for community planning within Moray.

15. Over the past year, Moray CPP has placed a greater emphasis on developing a more local set of priorities. Prompted by the threats to the RAF bases at Kinloss and Lossiemouth, it quickly agreed that the most important issue for community planning in Moray should be encouraging a sustainable and diversified local economy. This clarity about a single overriding priority marks a significant change for community planning in Moray.

16. The partnership has gone on to develop a more structured, evidence-based, assessment of the priorities for Moray. Initially under the leadership of Moray Council, a comprehensive Area Based Review has been carried out. By drawing on a wealth of local and national data, this has sought to provide a wide-ranging summary of the challenges facing Moray and the opportunities it has to develop.

the ten-year plan represents a fresh approach, but it needs to guide the work of partnership groups

This review process has steadily gained the support of all partners. It has also helped to get elected members more involved in community planning, giving them a broad picture of Moray as a whole, rather than individual ward issues. And it has shown the potential of partnership working to help meet the area's needs.

17. The partnership has used the detailed analyses from the Area Based Review to develop a ten-year plan for community planning in Moray. This has the potential to provide a much more meaningful framework for driving action and resources for partnership working. It retains the high-level priorities of earlier SOAs, but focuses more sharply on the specific issues that affect people living in Moray ([Exhibit 4, page 14](#)). For example, there is more emphasis on issues such as rural access to services, broadband, obesity, and alcohol abuse. A wide range of targets also relates to diversifying the local economy, such as increasing:

- the number of graduates in the workforce
- the numbers employed in the private sector
- the numbers of people employed in science and technology.

18. The ten-year plan also places a greater emphasis on outcomes rather than processes. Previous SOAs focused on inputs and management processes. Targets tended to focus on implementing various strategies rather than their impact on the people living in Moray. The ten-year plan sets out clear targets for each issue that the CPP is trying to tackle. Some of these focus on activities, such as upgrading the trunk roads leading to Aberdeen and Inverness. But these are matched with targets that focus on long-term outcomes, such as increasing Moray's Gross Domestic Product or its average weekly wage.

19. There are still some gaps and weaknesses in the ten-year plan. For example, despite presenting evidence of recent increases, it has no targets for reducing the number of people killed or seriously injured on Moray's roads. Similarly, although the plan shows a strong link between alcohol abuse and violent crime in Moray, it has no target for reducing these. Overall, however, the ten-year plan represents a marked improvement on the SOAs of earlier years, with a much more convincing analysis of local issues and a strong focus on outcomes.

Moray CPP is still at an early stage in influencing the strategic priorities for partner organisations and tackling difficult issues such as inequalities and prevention

20. Although Moray CPP now has a ten-year plan in place, it still has some difficult issues to resolve. Historically, for example, Moray's community plans and SOAs simply reflected the existing plans of individual partners, rather than influencing their priorities. The ten-year plan does represent a fresh approach, with all partners stating their commitment to its priorities. The partnership needs to keep up the pace of progress and ensure all partners see the ten-year plan as the overall plan for Moray. The plan needs to guide the work of the partnership groups – the groups responsible for delivering the local priorities – and how they share resources, such as funds and expertise.

21. Moray CPP still has to develop a clear approach to prevention. The ten-year plan contains a commitment to the principles of preventative working, identifying the need for a partnership approach and an assessment of costs and benefits. But it has no specific proposals or any programme of preventative work. It refers

Exhibit 4
Moray's five priorities and some of their main objectives

A growing and diverse economy

Main objectives

- Increasing the number of business start-ups.
- Increasing the proportion of the workforce employed in the private sector.
- Increasing the average weekly wage.
- Increasing the proportion of households with next-generation broadband.
- Increasing the proportion of school leavers in positive destinations.
- Increasing the proportion of the workforce who are graduates.

Safer communities

Main objectives

- Reducing the number of accidental house fires.
- Reducing crime levels.

Healthier citizens

Main objectives

- Reducing the number of adults who smoke.
- Reducing the number of adults who are obese.
- Reducing the number of people in hospital with an alcohol dependence.

Ambitious and confident children and young people

Main objectives

- Reducing the proportion of low-weight births.
- Increasing the proportion of babies breastfed.
- Increasing S6 attainment levels.
- Reducing the teenage pregnancy rate.
- Reducing the number of children living in households that depend on benefits.

Adults living healthier, sustainable, independent lives and safeguarded from harm

Main objectives

- Reducing the proportion of people aged over 65 who are in permanent care.
- Increasing the proportion of people who receive intensive care at home.
- Reducing the proportion of households in fuel poverty.

to initiatives such as Getting it Right for Every Child (GIRFEC) and the Early Years Collaborative, but these are the result of national policies rather than community planning in Moray. Reaching agreement on funding of preventative work will provide a strong test of Moray CPP's leadership. It will involve persuading partner organisations to shift funds from existing activities, even though it may be some years before any benefits are realised.

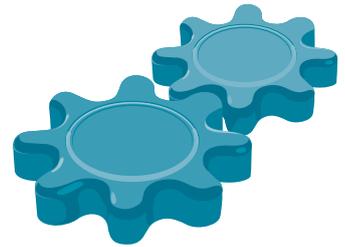
22. Moray CPP also needs a clear approach to inequalities. This is particularly difficult in such a rural area, where inequalities are spread thinly, making it difficult to monitor. Inequalities are not concentrated in particular communities, although there is a project to develop a community hub in the South Lesmurdie area of Elgin, to provide a base for meetings, training and employment initiatives. Again, the ten-year plan contains a broad commitment to the principle of tackling inequalities. But it does not quantify the scale of the issues, or indicate which aspects are the most pressing concern for Moray. Nor does it have direct proposals for reducing them. It does, for example, set targets for increasing school attainment levels and improving people's health. But these targets are for Moray as a whole, with no specific focus on deprived families or individuals.

Recommendations

- Moray CPP needs to build on recent improvements by:
 - ensuring that its ten-year plan influences the strategic priorities of individual partners and helps drive joint working and shared resources
 - reviewing the plan periodically to ensure that it continues to reflect local priorities and contains relevant targets
 - ensuring that the ten-year plan is supported by a clear and agreed delivery plan that sets out the specific actions partners will take, with timescales and resources.
 - Moray CPP should develop and implement a clear prevention plan, with specific proposals and targets for monitoring their effectiveness.
 - Moray CPP needs to develop specific proposals on how it intends to tackle inequalities and targets for monitoring their effectiveness.
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Part 2

How is the CPP run?



Key message

- 1 Over the past year, there have been improvements in the way that Moray CPP is run. There are signs that the board is now starting to provide leadership for partnership working in Moray and to discuss important strategic issues. However, it still has some important issues to resolve in terms of further developing its leadership and challenge role and improving its working arrangements. Its revised structure of five supporting partnership groups and proposals for a new approach to performance management and scrutiny look sound. But, until the new ten-year plan is fully implemented, these have yet to be tested.

The CPP Board has streamlined its membership, allowing it to take on a more strategic role

23. In the past, the CPP Board had a wide membership, often including middle managers or substitutes. This made it difficult for it to act as a strategic decision-making board, with many representatives effectively attending as observers or unable to speak authoritatively on behalf of their organisations. In addition, with several councillors sitting as members, some partners viewed the board as being an extension of Moray Council rather than a genuine partnership.

24. There are now signs that the CPP Board is in a better position to provide genuine leadership for partnership working in Moray. During 2013, membership of the board was streamlined significantly. While the board is still chaired by the Leader of Moray Council, the number of councillors sitting on the board has been reduced, while still retaining cross-party representation. In addition, membership from other organisations has been limited to a core of:

- NHS Grampian
- Highlands and Islands Enterprise (HIE)
- Police Scotland
- Scottish Fire and Rescue Service
- Moray's third sector interface (tsiMoray), representing the voluntary sector
- Skills Development Scotland

there is scope for the CPP Board to play a greater strategic role in partnership working

- Moray College
- Highlands and Islands Transport Partnership (HITRANS).

All board members are now councillors, non-executives or senior managers, who have the seniority and authority needed to contribute meaningfully to strategic discussions and decisions.

The CPP Board is becoming more effective but it needs to resolve some important issues in terms of membership and working arrangements

25. After many years of being ineffective, there are now signs that the CPP Board is starting to provide leadership for partnership working within Moray and to show a willingness to make decisions on difficult issues. For much of 2013, board discussions largely focused on internal matters. These included arrangements for developing a new vision and ten-year plan, establishing a new structure of partnership groups to support its work, and seeking to reach agreement on constitutional matters and administrative support.

26. There are signs that the board's role is now steadily evolving. Increasingly, meetings are more outward-looking, concerned with strategic issues that are relevant to people living and working in Moray. The partnership has identified economic development as the overriding priority for Moray. This has been helped by the steady progress of the Area Based Review and the development of a ten-year plan that provides a focus for partnership working and improving outcomes. Recent meetings have also discussed the Early Years Collaborative, the destination of school leavers in Moray, and progress reports from the Public Protection Partnership and the Children and Young People's Partnership (CYPP).

27. The CPP Board still needs to resolve important aspects of its working arrangements. Agendas are still very long with many items for noting rather than decision-making. Apart from funding for its Citizens' Panel, the board has no specific administrative budget, so meetings can be bogged down requesting partnership funding for relatively trivial sums. It also has limited administrative support. This is mostly provided by Moray Council, particularly its corporate policy unit manager and its community planning and development manager.

28. Perhaps more fundamentally, some partners still feel that board meetings are run in the same manner as council committees. To some extent this has been due to the location of meetings. Initially, these were held in the council chambers but, more recently, are now being hosted by other partners. However, board agendas are still largely set by Moray Council, and partners feel they have little opportunity to shape the content of meetings.

29. Moray Council has been the dominant partner in the community planning process over the last decade and during the development of the new ten-year plan. This is similar to most CPPs, and reflects its statutory duty to lead community planning. The process of developing the ten-year plan has now resulted in a greater level of commitment by all CPP partners. It has also focused attention on the need for CPP partners, other than the council, to take greater responsibility for the actions needed to deliver the priorities in the ten-year plan. The partnership needs to build on this, to ensure no one partner is seen to dominate, and that partners instead take joint responsibility for making the partnership effective.

30. The CPP Board has shown it is willing to improve its arrangements and to look for guidance from other organisations. It has, for example, looked at the governance structures of other CPPs, in Stirling and Edinburgh. As a result, it is planning to establish a senior managers' group to help implement decisions made by the CPP Board. Similarly, it is asking Scotland's local government Improvement Service to help how it runs meetings and its underlying governance arrangements.

The CPP Board is now starting to discuss potentially difficult issues, but it needs to reach agreement on these and take on a genuinely strategic role

31. CPPs are expected to identify the local resources available to them and help direct these to local priorities. Moray CPP needs to take a more strategic role in coordinating partner organisations' work and resources, such as skills, funds, equipment and buildings. It is starting to consider the total resources of the public sector within Moray and how these could be directed towards community planning priorities. Many partners have competing national and local priorities, so these discussions are at an early stage, with no firm proposals or agreement.

32. There is also scope for the CPP Board to play a greater strategic role in other areas. All of Moray's public sector organisations are facing reduced budgets and need to make savings. Recent examples include the closure of some libraries and withdrawing funding for traffic wardens. There is scope for the board to help identify where partnership working could deliver new ways of doing things and help reduce the impact of cuts on the people who use public services. Similarly, there is scope for the board to take a greater role in identifying areas of good practice in partnership working and encouraging their roll-out to other areas in Moray. Examples of good practice would include sharing assets, such as buildings and equipment.

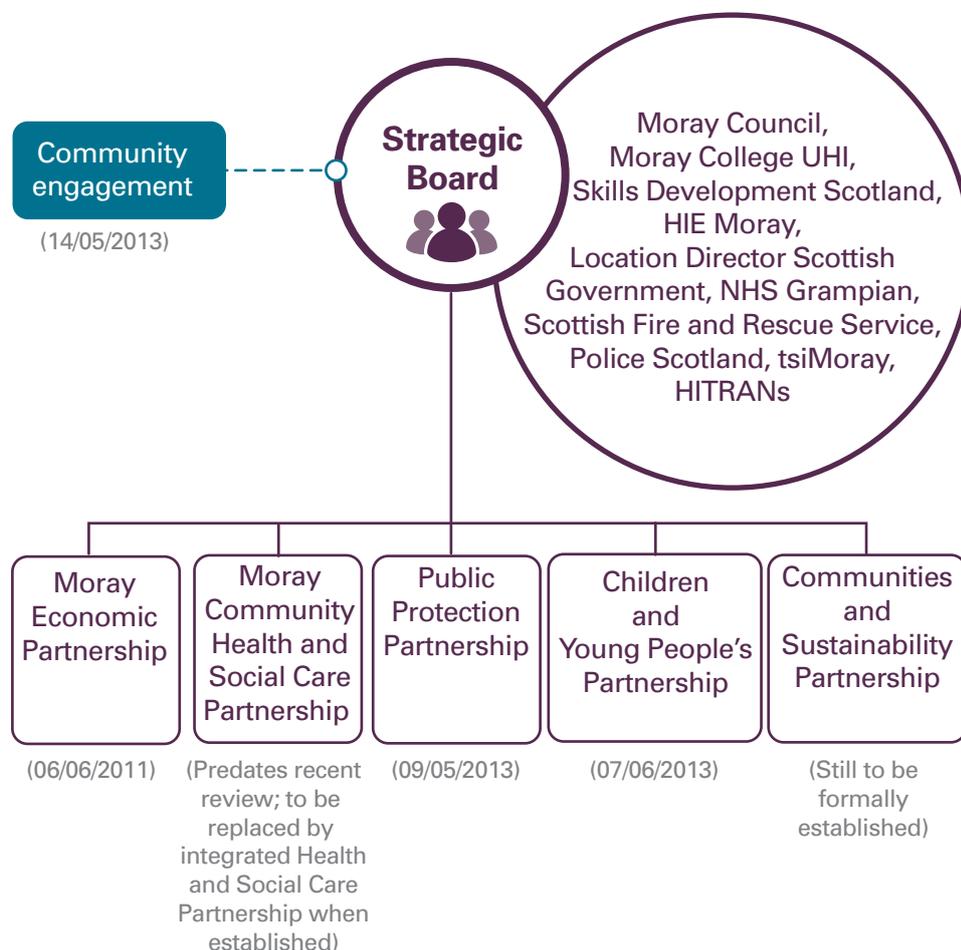
A revised structure of partnership groups has still to be fully established, but it should help Moray CPP oversee the operational partnerships and how public service reforms are being implemented locally

33. The partnership has made significant changes to the groups that support the board. In the past, these were based on the six Scottish Government outcome themes. There are now five partnership groups, overseeing the existing operational partnerships established within Moray. This better reflects local priorities ([Exhibit 5, page 19](#)). It is early days, but these new arrangements have the potential to improve the oversight and coordination of the various operational partnerships. Moray CPP has also formed a Community Engagement Group, signalling the importance it now places on consulting local communities and involving them in the delivery of some services. Overall, this structure looks sound. In addition, the board looks to be well placed to maintain oversight of how important public service reforms are being implemented in Moray. For example, the Moray Community Health and Social Care Partnership forms one partnership group, and the remit of the Public Protection Partnership (PPP) covers police and fire and rescue services and criminal justice matters.

34. These partnership groups are at different stages of development. Two predate the revised arrangements for community planning in Moray. The Moray Economic Partnership (MEP) was formed in June 2011 in response to the threatened closures of RAF Kinloss and RAF Lossiemouth. The Moray Community Health and Social Care Partnership, which is about to be replaced by the emerging Moray Health and Social Care Partnership, has also been in existence since 2004. Both of these groups have relatively well-established

Exhibit 5**The community planning governance structure in Moray**

Revised partnership groups now sit under the Moray CPP Board.



Source: Audit Scotland

governance arrangements. The MEP, for example, has assigned individual board members to oversee specific strands, such as Tourism and Culture, and Inward Investment and Business Growth. Each strand has a programme manager, focused on operational delivery and business and councillor representation.

35. The other partnership groups have still to fully establish their governance and reporting arrangements. The Communities and Sustainability Partnership has still to be formally established. Most groups have draft action plans but these pre-date approval of the ten-year plan. The CPP Board needs to ensure that future plans link more closely with Moray CPP's ten-year strategy.

A lack of performance management in earlier years is now starting to be addressed, but a revised approach still needs to be rationalised and implemented

36. The Statement of Ambition for community planning states that CPPs 'must be genuine boards' and 'will be expected to hold all partners to account for their contribution to local planning and delivery of those plans'. An important aspect of this is establishing a performance management framework that will allow:

- the board to monitor progress in implementing the SOA over the short, medium and long term
- partners to hold each other to account for their progress in implementing the SOA.

37. In recent years, Moray CPP has carried out very little monitoring of its effectiveness and the impact of community planning on improving the lives of people living in the area. We found this culture was only beginning to change. Since 2011, the CPP Board has not received any monitoring reports from its supporting partnership groups. Instead, the board's monitoring of performance has been limited to annual SOA reports, with significant gaps in the information available and an emphasis on management processes and inputs rather than outcomes. Where these limited annual performance reports have formed part of the board's agenda, they have generated very little discussion. As recently as January 2014, the board received a monitoring report on the 2013/14 SOA but this simply provided a high-level summary of progress in implementing action plans. It gave no clear picture of strengths or weaknesses or movement towards achieving Moray CPP's strategic priorities.

38. Moray CPP plans to significantly improve its performance management arrangements. These proposals look sound. Rather than each CPP Board meeting receiving a comprehensive report covering all performance priorities, a cyclical approach is now planned, with each board meeting assessing the performance of an individual partnership group. Members of that partnership group will attend the board meeting, which will encourage improved accountability. This new approach has started to be implemented, with members of the PPP and the CYPP attending recent board meetings. But, with performance management systems not yet established, these meetings have focused on partnership activities rather than assessing the impact of their work.

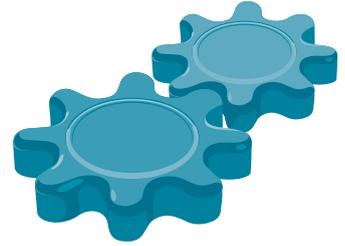
39. There is also scope to rationalise reporting arrangements. Many of these have developed over many years, but no longer reflect the central role which Moray CPP is trying to establish. The Community Safety Partnership, for example, sits under the PPP but reports to Moray Council's Communities Committee. Similarly, the MEP reports to Moray Council's Economic Development and Infrastructure Services Committee but has yet to deliver a performance report to the board. The Moray Community Health and Social Care Partnership currently reports to Moray Council's Social Care Services Committee and to the NHS Grampian Board, but has not yet provided performance reports to the CPP Board. Performance reporting arrangements to individual partners and to the revised CPP structure have evolved at different times. The CPP should review and rationalise reporting arrangements to make it easier to oversee the work of these partnership groups but without compromising the statutory accountability arrangements of individual partners.

Recommendations

- The board needs to establish itself as a genuine partnership, with all partner organisations taking responsibility for setting agendas and delivering the CPP's priorities.
 - The board needs to continue to develop its strategic role, with a greater focus on its potential to coordinate and support the spread of partnership working.
 - The partnership needs to implement a robust performance management framework, with regular updates on progress against the ten-year plan.
 - The board needs to provide more challenge and hold individual partners and partnership groups to account for delivery against the outcomes in the ten-year plan.
-

Part 3

How does the CPP use resources?



Key message

- 1 There are good examples of partnership working within Moray. Most are the result of national policies or local initiatives between individual organisations. These are now being brought under the oversight of Moray CPP, but the board now needs to take the lead in driving partnership working. The board has started to identify ways of making sure all partners direct funding to community planning priorities, but it still has to reach agreement on this difficult issue.

Moray's public sector spends around £600 million each year. But the CPP has only started to identify how partners need to share funding and other resources such as staffing, and how to direct these towards its priorities

40. Public sector organisations form a large proportion of Moray's local economy, spending about £600 million each year ([Exhibit 6, page 23](#)). In turn, they employ about 8,700 people, representing about 20 per cent of the local workforce.

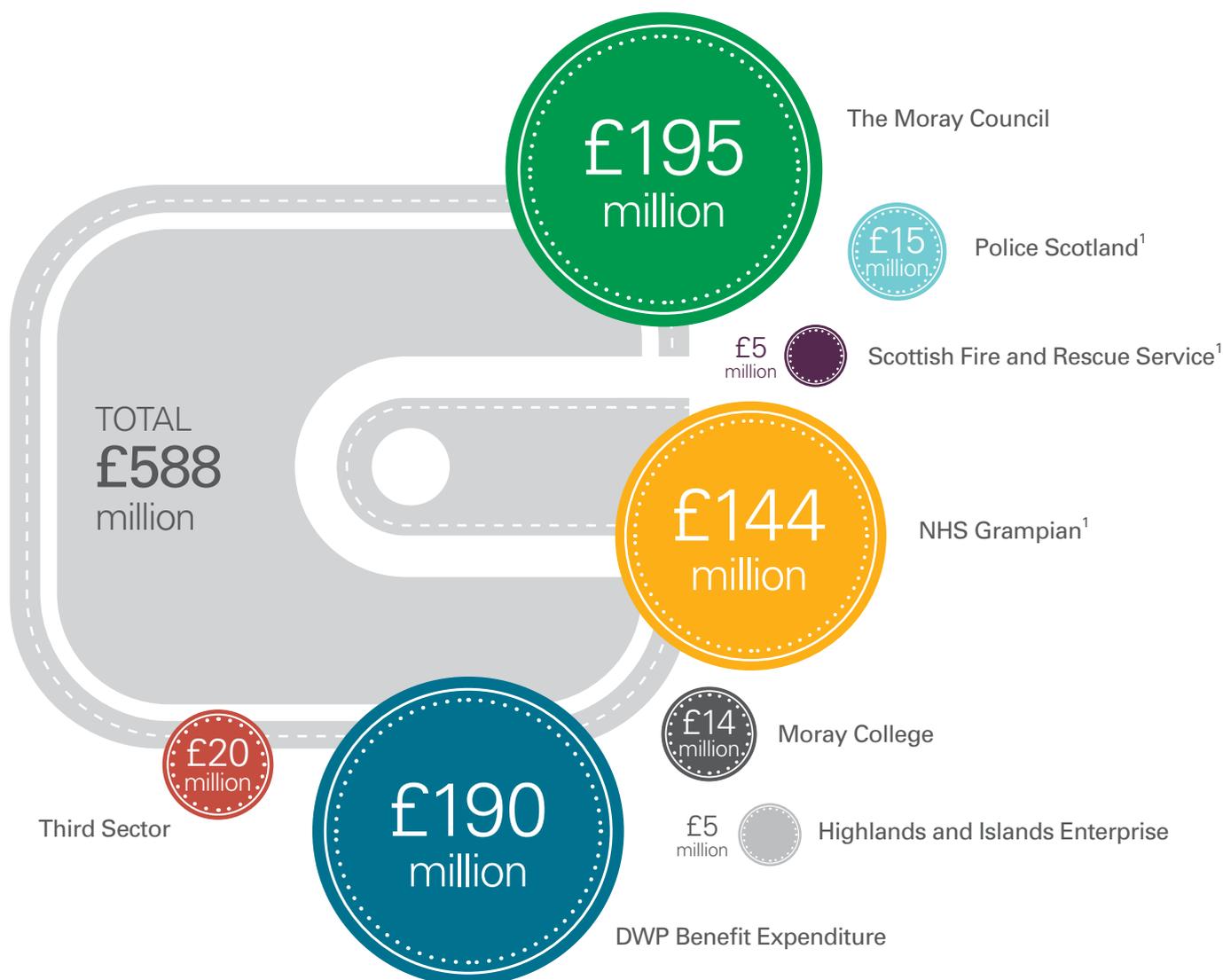
41. Since at least 2003, CPPs have been expected to allocate the resources necessary to achieve agreed outcomes. This was reinforced in September 2013, when the Scottish Government and COSLA set out a vision that CPPs and their SOAs should become 'the focal point for the planning and deployment of resources locally'. This is not straightforward, as CPPs do not have any formal powers to control local budgets. Instead, they must rely on the willingness of individual organisations to support and fund the delivery of the partnership's priorities. However, unless CPPs are able to coordinate local resources, they cannot be effective.

42. There is little evidence in previous years to show that Moray CPP has been able to shift resources towards its priorities. But it is now making some progress. It has recently started to identify the total budgets of individual partners. For the first time, Moray CPP's new ten-year plan outlines the annual budgets of Moray's public and voluntary organisations. However, there are difficulties in estimating how much regional bodies such as HIE and NHS can allocate from their budgets to Moray. The CPP also needs to take into account other local resources, such as staff, buildings, local community groups, and information.

the CPP Board has yet to establish how these overall resources could be shifted towards its priorities

Exhibit 6**Public sector net expenditure in Moray**

Partners in Moray CPP, and the Department of Work and Pensions (DWP), spend about £600 million each year.

**Notes:**

1. Pro rata based on population share.
2. HITRANS funding not shown as less than £1 million.

Source: Audit Scotland analysis of partner organisations audited 2012-13 accounts and 2011-12 Moray College accounts. Third Sector estimate taken from tsiMoray work plan 2013-14. HIE expenditure based on their estimate.

43. Perhaps more importantly, the CPP Board has yet to establish how these overall resources could be shifted towards its priorities. For example, it now has information on the total expenditure that partners direct towards economic development. But it has still to decide if this is enough or if there is a need to reduce other budgets to help fund what it has identified as its overriding priority.

44. Rather than examining total budgets, the CPP Board has agreed that over the next 12 months it will consider each of its strategic themes in turn and what resources it needs to deliver their objectives. It expects that the work already carried out on the joint funding of the Moray Health and Social Care Partnership

will provide a model for other areas. To help build momentum, the board has decided to focus initially on the 'Ambitious and Confident Young People' theme, where it can build on existing partnership working. However, reaching agreement on shifts in resources is likely to be difficult as it will inevitably involve reducing some budgets and increasing others. This may be particularly difficult where it involves shifting resources away from short-term targets towards long-term preventative work. Against a history of little progress in this area, the partnership needs to show a genuine commitment to make real progress in aligning resources.

There are many examples of good partnership working within Moray, but few have been driven by the CPP

45. Moray has a history of good partnership working, going back over many years. It was, for example, one of the first areas in Scotland to establish a Community Health and Social Care Partnership in 2004. It has made good progress in building on this and responding to a new national initiative aimed at improving joint working between the NHS and social work services. In contrast to some other parts of Scotland, most of the detailed arrangements needed to progress the new Moray Health and Social Care Partnership, including funding plans, have been quickly resolved.

46. The Moray Economic Partnership (MEP) provides another example of strong partnership working. Building on the work of the Moray Task Force, which was created in response to the threatened closure of the RAF bases at Kinloss and Lossiemouth, Moray CPP created the MEP in 2011. Recognising the pressing need to diversify Moray's economy away from reliance on military bases, the MEP brought together partners from the public and private sectors. It has established the Moray Economic Strategy and acted as the focal point for directing support towards various projects aimed at diversifying the local economy and developing more science and technology jobs. One notable success has been IT firm ATOS, relocating within a very tight timetable ([Case study 1](#)).

Case study 1

The relocation of ATOS to Forres Enterprise Park

Following the announcement that the RAF was withdrawing from the military base in Kinloss, international IT services company ATOS approached HIE. It proposed retaining about 50 of the jobs that would be lost, with the potential to create a further 200. With a strong pool of security-cleared staff, some with existing skills and others suitable for retraining, ATOS identified the potential to establish a development and innovation centre, within the enterprise park in Forres.

Partners responded quickly, coordinating the necessary work required to retain the company in the area and save jobs. With a tight timetable of nine months before RAF Kinloss was due to close, HIE approached other members of the MEP to support the project. This involved preparing bespoke accommodation within the Forres Enterprise Park and authorising all the necessary permits, such as health and safety certificates from Moray Council and the Scottish Fire and Rescue Service.

The close working relationships between members of the MEP were crucial to delivering this tight timescale, retaining 50 staff and establishing a new employer, with development potential, in the area.

47. There are many other examples of good partnership working in Moray:

- A new child protection unit opened in Elgin in March 2012. This brought together people working in different parts of the public sector, including social workers, police and NHS staff, into a purpose-built office, jointly funded by the council and police. The unit provides direct intervention to safeguard the welfare of children, as well as providing advice to a wide range of staff working with vulnerable youngsters and their families. This has brought staff from partnership bodies together to provide a faster, more coordinated response to enquiries.
- Moray Council and NHS Grampian are jointly leading the Early Years Collaborative for Moray. It aims to improve outcomes for children and families, placing a greater emphasis on prevention and bringing together a wide range of professionals who work in services for children. These include teachers, play workers, nurses and nutritionists. It has agreed a delivery plan and reported on its progress to the CPP Board in January 2014.
- Collegiate Moray, led by NHS Grampian, has started providing training for staff across partner bodies to encourage joint working and improve the quality of services to the public. So far, it has held four sessions on topics such as unscheduled hospital admissions, discharges and prescribing.

48. From our discussions with individual partners, it is clear that community planning in Moray has helped to develop good working relations and trust. This has encouraged a culture of partnership working with partners responding positively to potentially difficult areas, such as the integration of health and social care.

49. However, many of these examples of partnership working have been responses to national policies set by the Scottish Government, rather than to decisions made by Moray CPP. The Moray Health and Social Care Partnership and the Early Years Collaborative, for example, are the result of national initiatives and are mirrored throughout Scotland. Others, such as the development trusts at Forres and at Tomintoul, have been created as a result of local community initiatives or joint working between individual partners. Few are the direct result of decisions made by Moray CPP.

Moray CPP is developing proposals to help it coordinate consultation and get local communities more involved in helping deliver some services

50. The Statement of Ambition for community planning aims to get local people more involved in delivering improved outcomes. The Scottish Government's proposed Community Empowerment and Renewal (Scotland) Bill is intended to strengthen the legal basis for doing this.

51. Moray CPP uses a citizens' panel to gauge local people's views and help shape its priorities. Individual partners such as Police Scotland and NHS Grampian have also carried out their own consultations. The CPP Board is planning to coordinate these exercises more effectively. A Community Engagement Group, chaired by the council's convener, was set up in May 2013. It has agreed an action plan, designed to help avoid any duplication of consultation exercises by different organisations, promote quality standards, and encourage information sharing. However, more progress is needed in establishing the role of Area Forums, bringing together representatives from local community organisations and local residents to tackle local issues. Five have been established in the eight

areas of Moray, but there have been difficulties recruiting members for the remaining three. In addition, the links between these Forums, the Community Engagement Group, and the CPP Board have still to be clarified.

52. Individual partners are considering ways in which local communities can help deliver some services. These have focused mainly on asset transfer, for example the council approved the transfer of a building to Elgin Youth Development in December 2013. However, despite these efforts, there are few examples of co-production. In some cases this is due to concerns about transferring risk to local community groups, for example a building or enterprise that is running at a financial loss, or their financial skills to manage an asset. However, significant progress has been made over the past year in strengthening the role of the voluntary sector in Moray. The establishment of tsiMoray, as part of a national initiative, has helped to provide a focus for a group of very different organisations. In turn, tsiMoray's role is evolving from community activist organisation, challenging the decisions and work of public sector organisations, to playing a stronger role as a partner helping to plan and deliver services.

53. Community development trusts provide a practical example of local people working alongside public sector organisations. For example, trusts have been established in Forres, in response to the threatened closure of RAF Kinloss, and in Tomintoul. These have had some significant success. The Tomintoul & Glenlivet Development Trust, for example, can point to evidence of its local economy being reinvigorated and visitor numbers on the increase ([Case study 2](#)).

Case study 2

Community engagement and co-production in Tomintoul

Tomintoul & Glenlivet Development Trust was established in May 2012 as a result of local concerns about the area's decline, including two local hotels closing. Tomintoul is one of Moray's remotest communities. The Cairngorm National Park Authority was the main partner to encourage the start-up of the trust, which is also funded by HIE, Moray Council, and the Crown Estate. The trust has a small core of staff, including a full-time development officer and has local volunteer directors.

There is evidence to show that the trust has helped to revitalise the local economy. There has been renewed interest in the area through the press and media, with businesses attracted to the area and the two hotels reoccupied. The trust has taken over the ownership and running of a hostel from the Scottish Youth Hostel Association and has increased occupation rates. It has also established local events to help attract visitors to the area, such as an annual motorcycle event that has helped bring about £15,000 into the local economy. In addition, while a final decision has still to be made on its funding, Tomintoul is now being considered as one of the sites for the Scottish Government's community broadband project. This project aims to bring improved internet connections to communities with limited services.

Source: Audit Scotland

54. There is evidence that these local development trusts have had a positive impact. However, their creation has been the result of local initiatives and joint working between HIE and individual organisations within Moray, rather than any decisions made by Moray CPP. There is now scope for Moray CPP to play a greater role in overseeing these trusts:

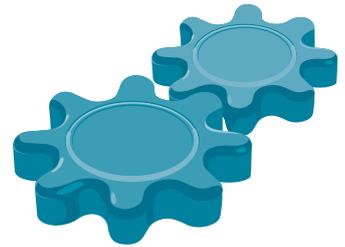
- identifying what is working well, what could be improved and what support it could provide
- encouraging any good practice to be spread to other parts of Moray.

Recommendations

- Moray CPP needs to show that it is helping to shift local resources towards its key priorities.
 - The board needs to clarify the arrangements for community engagement, specifying the links between the Area Forums, the Community Engagement Group and the CPP Board.
 - The board needs to establish a new approach to help coordinate community consultation and, where appropriate, encourage the involvement of local communities in helping provide some services.
-

Part 4

How is Moray performing?



Key message

- 1 The lack of performance monitoring in earlier years makes it difficult to assess the impact of community planning in Moray. However, the information that is available suggests that progress has been made in a number of important areas, particularly in improving school attainment levels and the training and employability levels of the workforce. There is also evidence to show some success in diversifying the local economy, with a shift in jobs from the public to the private sector. Overall, people living in Moray are healthy, but the CPP has not been successful in tackling specific health issues of alcohol abuse, obesity and smoking.

55. CPPs need to demonstrate that they have had an impact in improving outcomes for their local communities. The Statement of Ambition places CPPs at the centre of local public service reform, taking the lead on improving outcomes. However, measuring changes in community outcomes is not straightforward. It can take years, if not decades, to make improvements in areas such as health or economic development. Outcomes are influenced by many factors, national and local. So it is difficult to link changes to specific partnership activities. Moray CPP's lack of systematic performance monitoring also makes it difficult to provide a rounded picture of long-term trends.

56. Within these constraints, however, in this section we broadly assess performance trends, based on the six themes of the last SOA:

- Healthier citizens
- Ambitious and confident children and young people
- Adults living healthier, sustainable independent lives safeguarded from harm
- A growing and diverse economy
- Employability and employment skills
- Safer communities.

57. Most of our assessment is based on data from Moray CPP's *Outcome Delivery Plan 2013/14*. Where appropriate, we have supplemented these with other information produced by the Scottish Government or other national agencies. We make comparisons either against the neighbouring authority average (Aberdeen City, Highlands and Islands and Aberdeenshire being Moray's closest competitors in relation to a diverse economy and employment skills) or with its benchmarking group.⁷

the partnership needs to implement a robust performance management framework to evaluate progress against the ten-year plan

Healthier citizens – there has been progress in reducing the rate of teenage pregnancies and deaths from alcohol, but overall there is a worsening picture in Moray for smoking, obesity and alcohol dependency

58. Overall, people living in Moray are relatively healthy with, for example, life expectancy higher than the Scottish average. Moray's SOA focuses on five local health concerns: obesity and alcohol dependency, which are well above national rates, and smoking, sexual health, and mental health. Moray CPP's *Outcome Delivery Plan* provides a reasonably full set of performance information on these issues, although in some cases data is missing for the most recent years. In addition, our analysis omits some indicators where the numbers are too small to assess performance trends meaningfully.

59. Overall, the CPP has not been successful in tackling the health issues it identified as being of the greatest importance to people living in Moray ([Exhibit 7, page 30](#)). There has been a small drop in the number of teenage pregnancies. But there are worrying trends for other priority areas. Adult and child obesity have increased and the number of adults smoking has also increased.

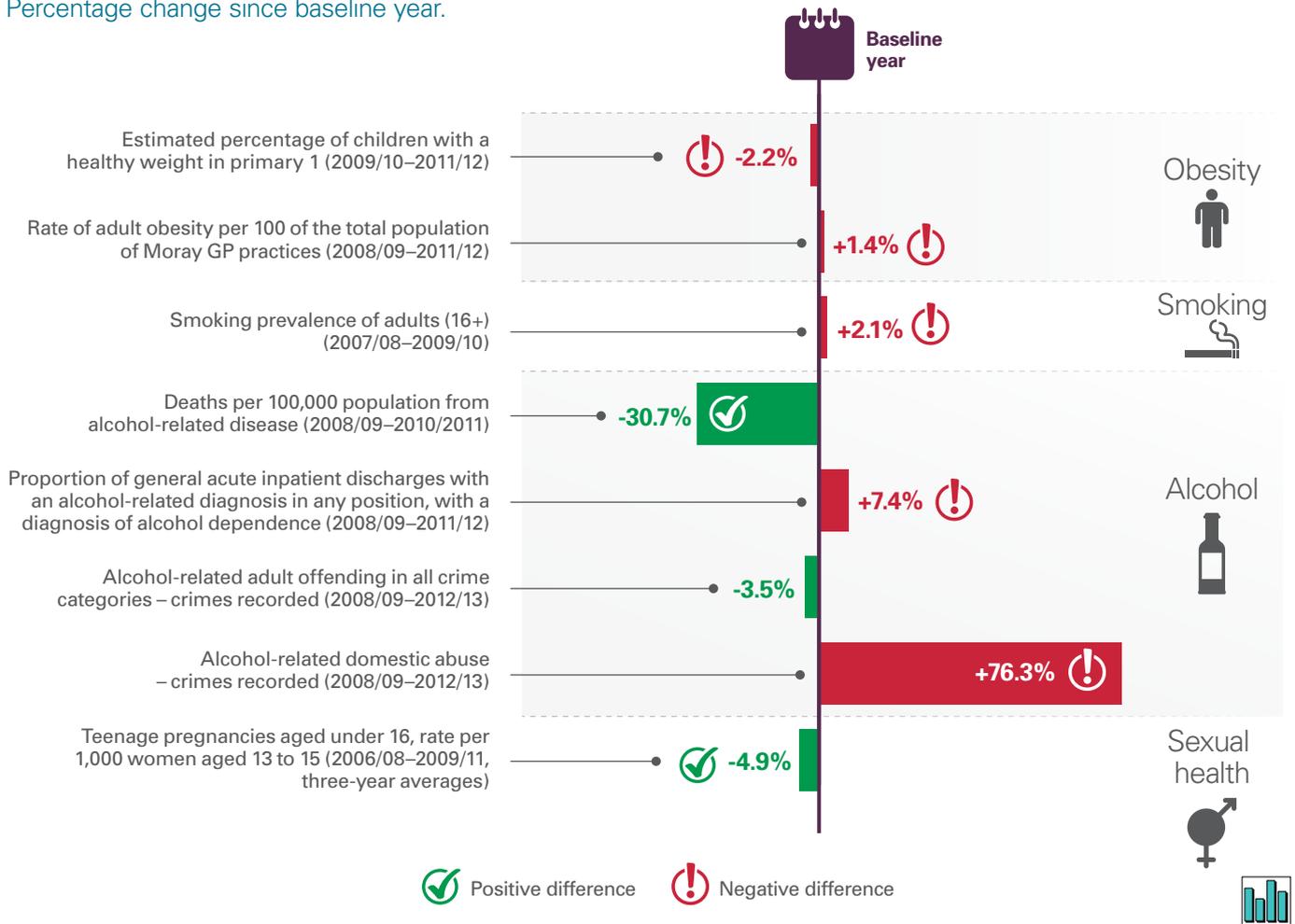
60. There is a more complex picture for alcohol dependency, although overall this also suggests a worsening trend within Moray. The rate of deaths from alcohol-related diseases has fallen significantly. In contrast, the proportion of people discharged from hospital with alcohol dependency has increased. Overall, there has also been an increase in alcohol-related crime. Between 2008/9 and 2012/13, the number of alcohol-related domestic abuse crimes increased by 76 per cent. This increase may reflect reporting changes and partners targeting action to identify this issue. Over the same period, there was a three per cent fall in overall crime rates that were alcohol-related, but the improvements in earlier years have been all but wiped out by a sharp increase since 2010.

61. Tackling alcohol misuse is a difficult issue for the partnership. Alcohol production is a significant part of Moray's economy. Many Speyside distilleries are in Moray, parts of which also have a high concentration of licensed premises. But alcohol abuse has significant costs for the various public organisations that have to deal with its impact. Alcohol Focus Scotland, a national charity working to reduce the harm caused by alcohol misuse, has estimated that alcohol harm cost over £33 million in Moray in 2010/11 ([Exhibit 8, page 30](#)). This excludes wider social costs, such as premature deaths, where it is difficult to attach a financial value.

62. The Moray Alcohol and Drug Partnership (MADP) contains representatives from various local organisations, including NHS Grampian, Police Scotland, and Moray Council. As part of the Moray Health and Social Care Partnership, the MADP reports to Moray CPP. Since 2013, it also reports to the Scottish Government.

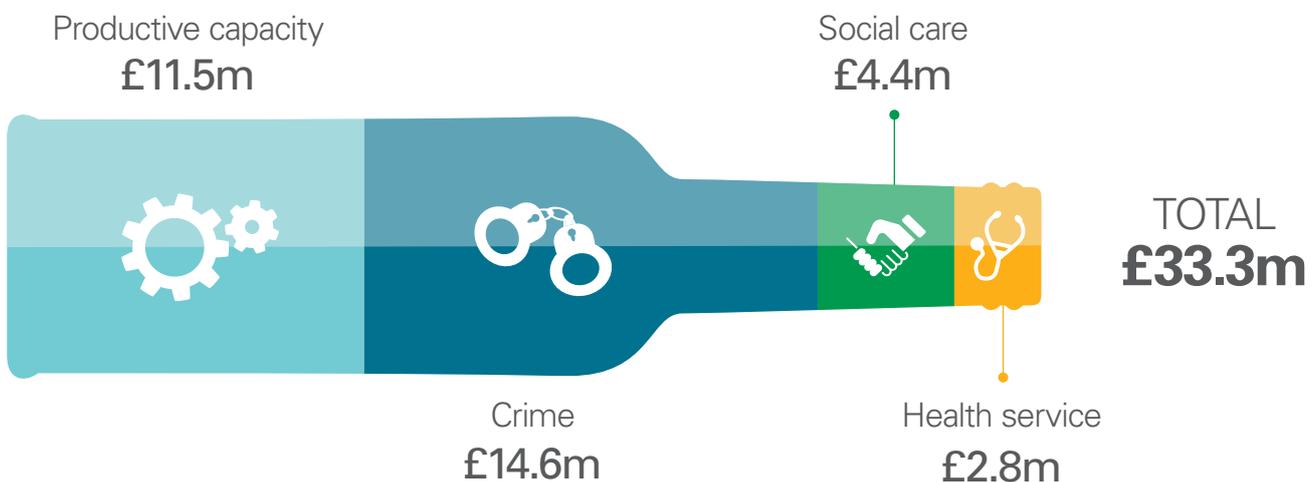
63. MADP has overseen many initiatives. It has helped fund Grampian Police and Moray Youth Justice to develop programmes to tackle underage and binge drinking. These programmes, called Operation Avon, have been highlighted by the Scottish Government as an example of good partnership working and are now being used in other parts of the country. MADP is using the national Drug and Alcohol Star framework to help monitor the progress being made by individuals as they reduce their drug and alcohol dependency. This shows that, by the end of 2013, over 45 per cent had made progress in reducing their alcohol use. Partnership organisations have also worked with schools to focus on a more preventative approach. The MADP has succeeded in helping meet the Scottish Government's HEAT target for improving access to services. But it has had limited success in securing long-term improvements in the impact of alcohol abuse.

Exhibit 7
Performance trends for Healthier citizens
 Percentage change since baseline year.



Source: Outcome Delivery Plan, 2013, Moray CPP; Public Performance Report for Moray 2012/13 and Scottish Household Survey data

Exhibit 8
 The estimated cost of alcohol harm in Moray 2010/11



Source: Alcohol Focus Scotland

Ambitious and confident young people – overall, there has been a good performance for early years development and educational attainment

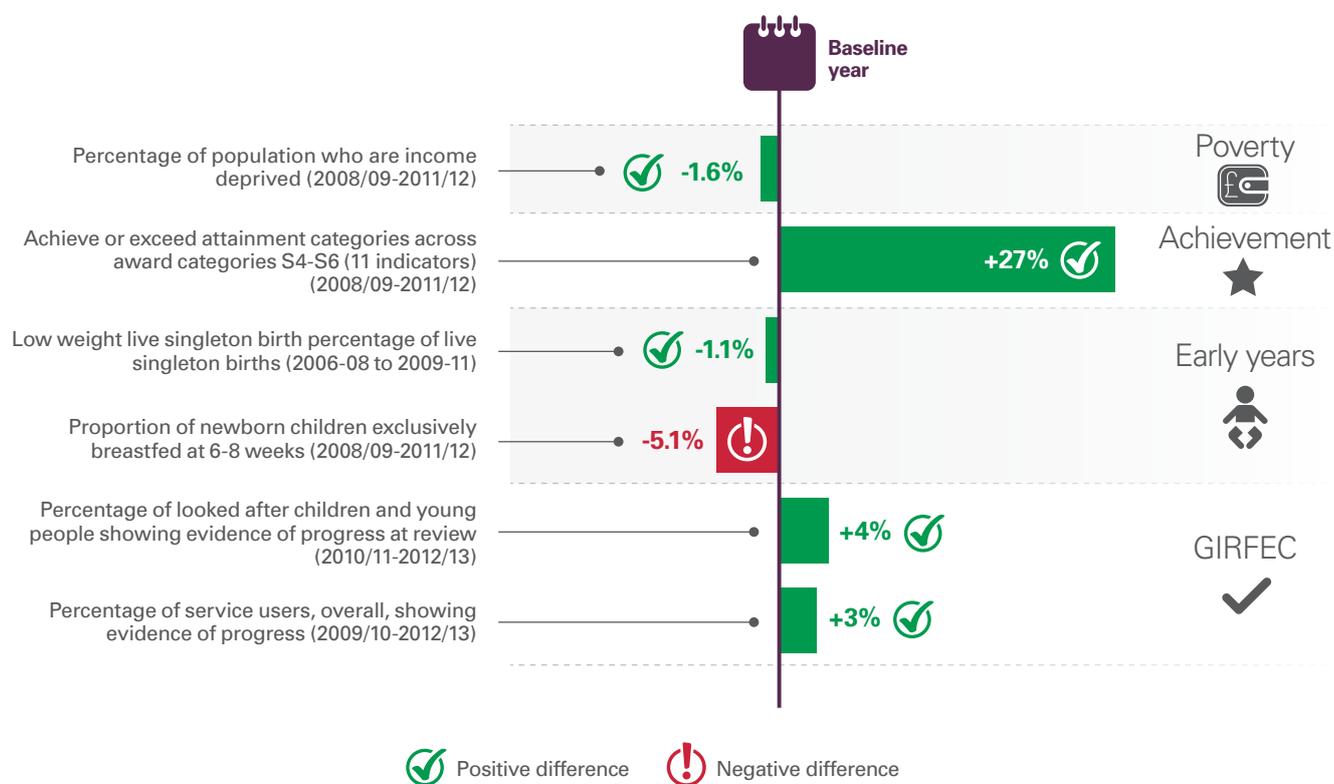
64. Moray's SOA sets out targets for four broad aspects of developing Ambitious and confident young people. Some focus on issues that can affect children in their early years, such as breastfeeding. Some look at school attainment, such as qualifications, and at wider aspects of children's services, particularly the progress in establishing Getting it Right for Every Child (GIRFEC), the national model for children's services. The SOA also recognises links between poverty and children's development, with targets set for reducing deprivation.

65. Overall, the performance information in Moray CPP's *Outcome Delivery Plan* suggests there has been a marked success in responding to issues affecting the development of children and young people ([Exhibit 9](#)). Over the past five years, the proportion of Moray's population classified as being income-deprived has fallen slightly. There has been steady progress in establishing GIRFEC. And while some of Moray's attainment levels continue to lag behind the national average, school attainment levels have improved markedly for most stages. The proportion of newborn children who are breastfed has fallen, but Moray's rate of 28.7 per cent is still above the Scottish average of 26.2.

Exhibit 9

Performance trends for Ambitious and confident young people

Percentage change since baseline year.



Source: *Outcome Delivery Plan, 2013*, Moray CPP, and *Scottish Household Survey* data

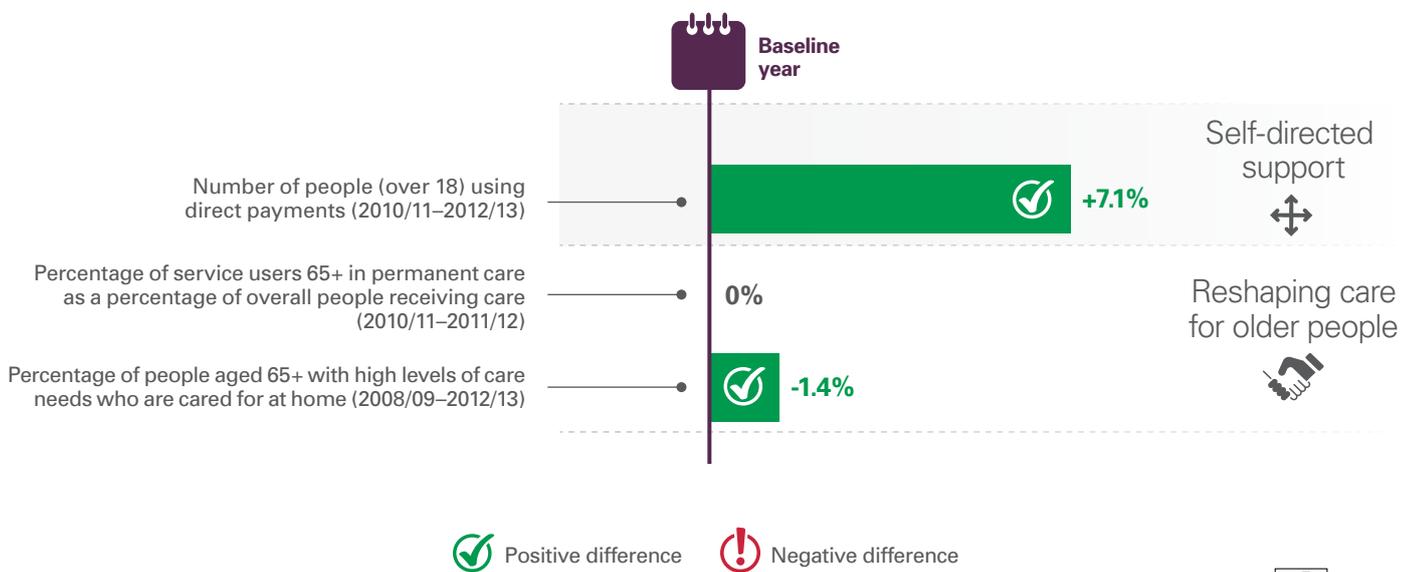
Adults living healthier, sustainable independent lives – Moray has made progress towards its targets, although it hasn't yet reduced the proportion of older people in care homes

66. In line with national policies, Moray's SOA sets out targets for improving the care of adults. It aims to reshape the arrangements for caring for older people, so that fewer are in permanent care homes and more have the opportunity to be cared for at home. It also aims to increase the number of clients using direct payments, giving them a greater choice over who provides them with support.

Exhibit 10

Performance trends for Adults living healthier, sustainable independent lives

Percentage change since 2008, except where indicated.



Source: *Outcome Delivery Plan, 2013, Moray CPP*

67. Moray CPP's *Outcome Delivery Plan*, sets out relatively few targets, but the information available does indicate success in giving adults more independence over their care. There has been a significant increase in the number of people using direct payments. And, while the overall proportion of older people being looked after in care homes has not reduced, there has been a shift towards those with high levels of care needs being cared for at home.

Employability and employment skills – Moray has made good progress in all its targets for improving the skills and training for its workforce

68. Closely aligned to its overall priority of economy growth and diversity, Moray CPP has also aimed to improve the employability and skills of its workforce. Although Moray has relatively high rates of employment, it does suffer from having a low-wage economy. The lack of a skilled workforce can be a barrier to businesses in the oil, science, and technology sectors wanting to expand in or relocate to the area. Moray's SOA focuses on targets for four main issues, namely:

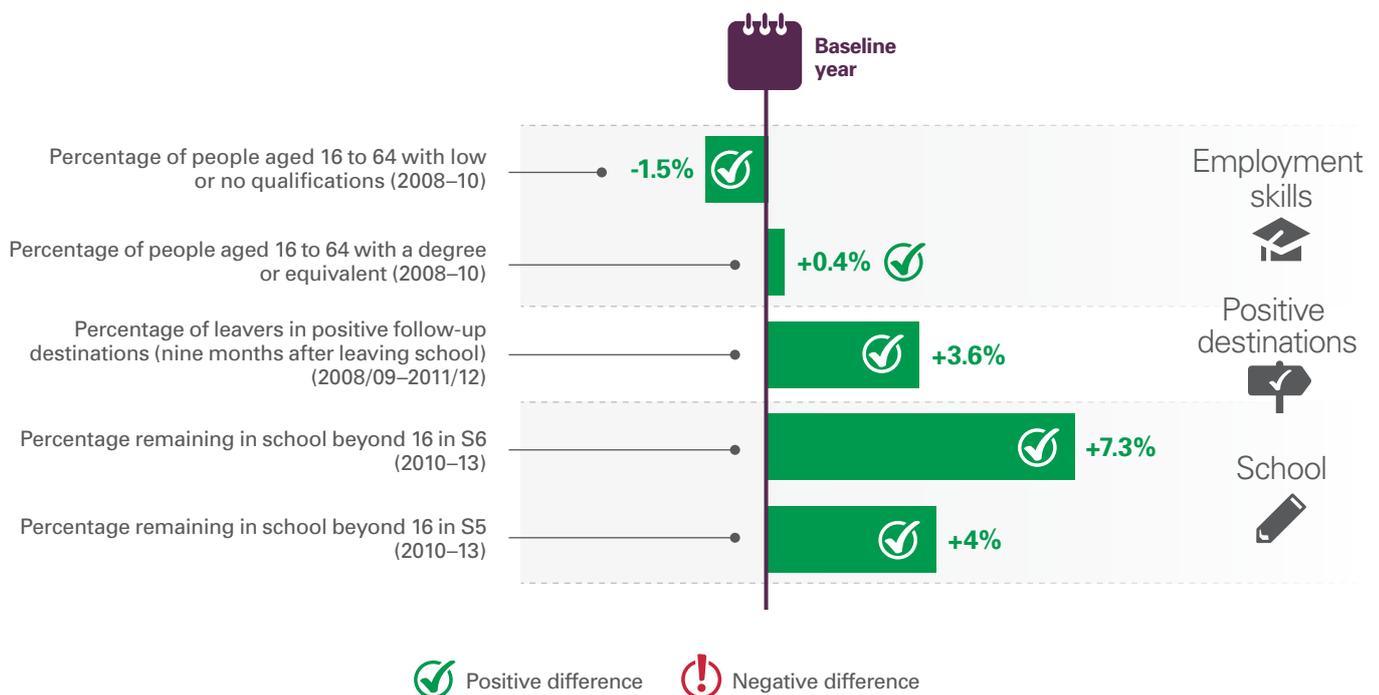
- encouraging children to stay at school beyond S5
- school leavers moving on to positive destinations, such as employment, college or university

- reducing the proportion of the local workforce with no or low qualifications
- increasing the proportion who are graduates.

69. The presence of the University of the Highlands and Islands, through its Moray College Campus, has encouraged school leavers to stay in the area and increase their qualifications. There has been a marked improvement in all of the areas targeted by Moray CPP ([Exhibit 11](#)). Over the past five years, increasing numbers of pupils stay on at school beyond the age of 16. In addition, a greater proportion of school leavers are now going on to a positive destination. The proportion of the workforce with no or low qualifications has fallen and the number of graduates has risen slightly. Despite this steady improvement, however, Moray still lags behind its neighbouring areas and also its benchmark group ([Exhibit 12, page 34](#)). Graduate levels in Aberdeen, Aberdeenshire and the Highlands have also steadily increased and are still almost double that in Moray.

Exhibit 11

Since 2008, Moray has been successful in improving the employability of its young people
Percentage change since 2008, except where indicated.



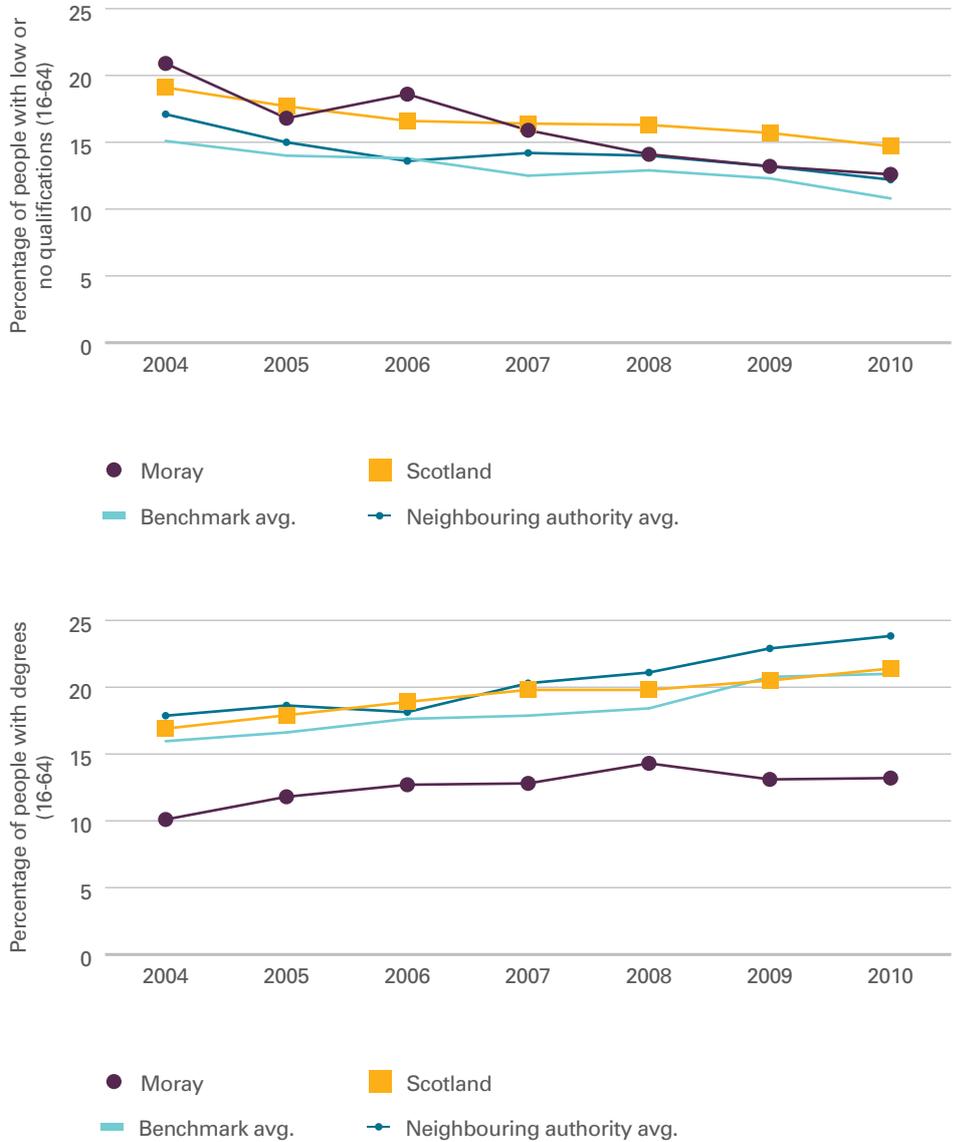
Source: *Outcome Delivery Plan, 2013*, Moray CPP, and Audit Scotland analysis of national data



Exhibit 12

Workforce qualifications

There has been a steady improvement in the qualifications of Moray's workforce, but this is lower than its neighbouring areas and its benchmark comparator.



Source: Audit Scotland analysis of ONS Annual Population Survey data



Safer communities – Moray is a safe place to live and, while more needs to be done to reduce alcohol-related crime, there have been reductions in road accidents, house fires, and serious assaults

70. Moray is a safe place to live, with one of the lowest crime levels in Scotland. However, the SOA does highlight specific concerns. In a relatively rural area such as Moray, with country roads and a dispersed population, road traffic collisions and house fires are a significant concern. While overall crime levels are low, crimes associated with alcohol are also a major concern in Moray. A quarter of all serious and violent crimes in Moray between 2009 and 2012 were committed while the perpetrator was under the influence of alcohol.

71. Over the past five years, there have been some significant improvements in community safety in Moray ([Exhibit 13, page 36](#)). For example, there has been a major fall in the number of house fires resulting in death or injury. There has also been a significant fall in the number of people killed or seriously injured in road collisions, although this started to increase again in the last year. From a low base, there has also been a significant reduction in the number of serious and common assaults. However, as mentioned earlier, there is little evidence to show the CPP has been successful in tackling alcohol-related crime. The increases in these recorded crime rates may be partly due to alcohol-related crimes being targeted by police. However, since 2008, there has been a 76 per cent increase in recorded domestic abuse crimes linked to alcohol. In addition, while there has been some success in earlier years in reducing the overall crime rates which are related to alcohol, these have seen a sharp increase since 2010.

A growing and diverse economy – despite the lack of evidence that Moray’s economy is growing, the CPP can point to some high-profile successes and a shift from public to private sector jobs

72. Moray CPP has been clear in highlighting the development and diversification of the local economy as its overriding priority. Moray has relatively low levels of deprivation with, for example, unemployment levels significantly below the Scottish average. However, it has long suffered from a low-wage economy and a reliance on seasonal work, in agriculture and tourism. The underlying weakness of Moray’s economy was highlighted in 2010 with the threatened closure of the RAF bases at Kinloss and Lossiemouth. Between them, these bases supported 5,700 full-time jobs, representing about 16 per cent of jobs within Moray.

73. The threatened closure of the bases helped focus the activities of Moray’s community planning partners. In October 2010, a Moray Task Force was formed, comprising representatives of public, private, community and voluntary sectors. This had some initial success, with a Government decision to retain RAF Lossiemouth and to convert RAF Kinloss to an army base. However, there was a clear need to diversify Moray’s economy, with less reliance on public sector jobs and, in particular, military bases.

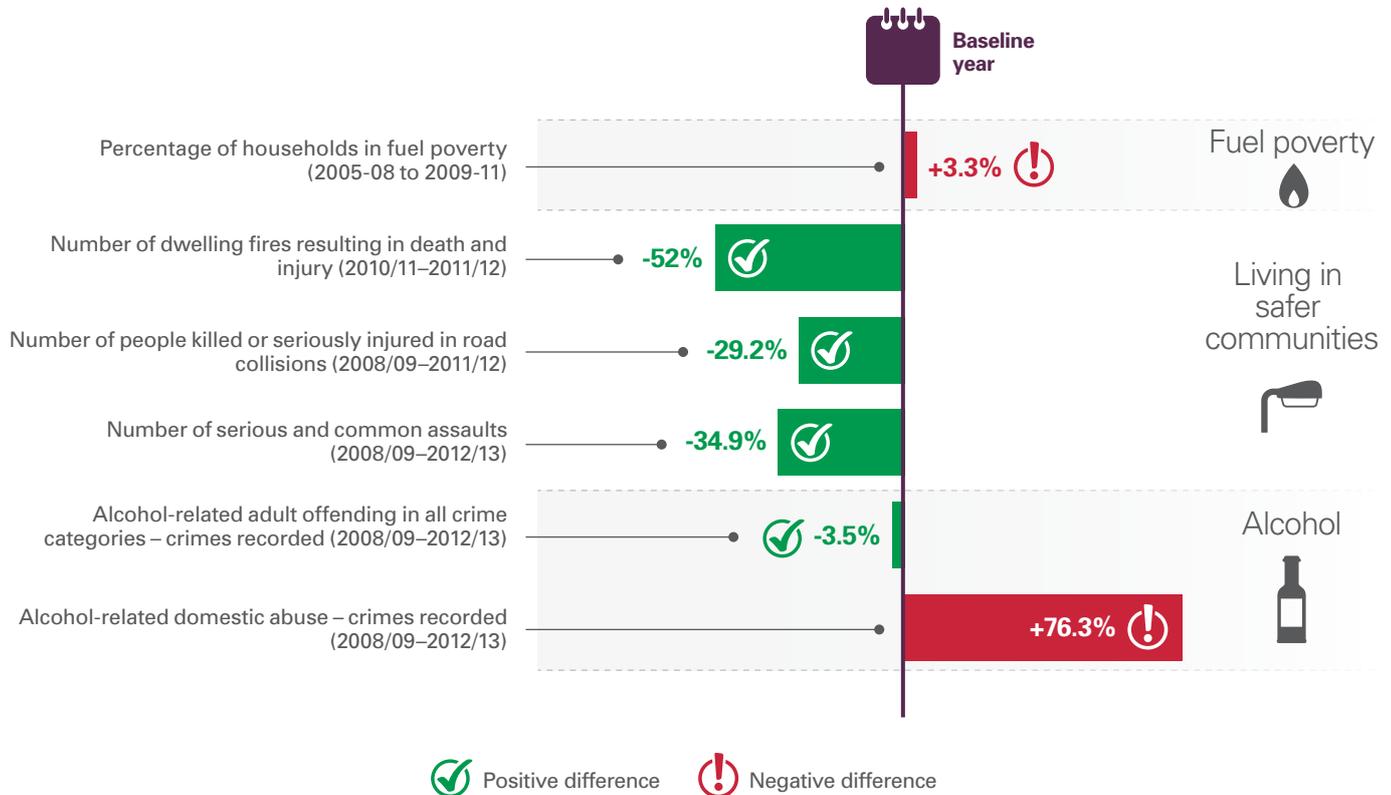
74. As a result, Moray CPP became more formally involved in helping shape a long-term strategy. The Moray Economic Partnership (MEP), made up of many of the representatives from the Moray Task Force, was established in 2011. The MEP then began to develop a more long-term strategic approach, building on two earlier reports. A *Moray Economic Strategy* was published in October 2012. This aims to diversify Moray’s local economy, with three main targets:

- growing the population to over 90,000 in the next ten years, attracting new residents and people aged 16-25 years
- creating over 5,000 jobs with a focus on high-quality jobs in engineering, science and technology, coupled with an increase in employment in established sectors such as tourism, food and drink
- increasing average earnings to the regional and Scottish average by an emphasis on higher value activities.

Exhibit 13

Performance trends for Safer communities

Percentage change since baseline year.

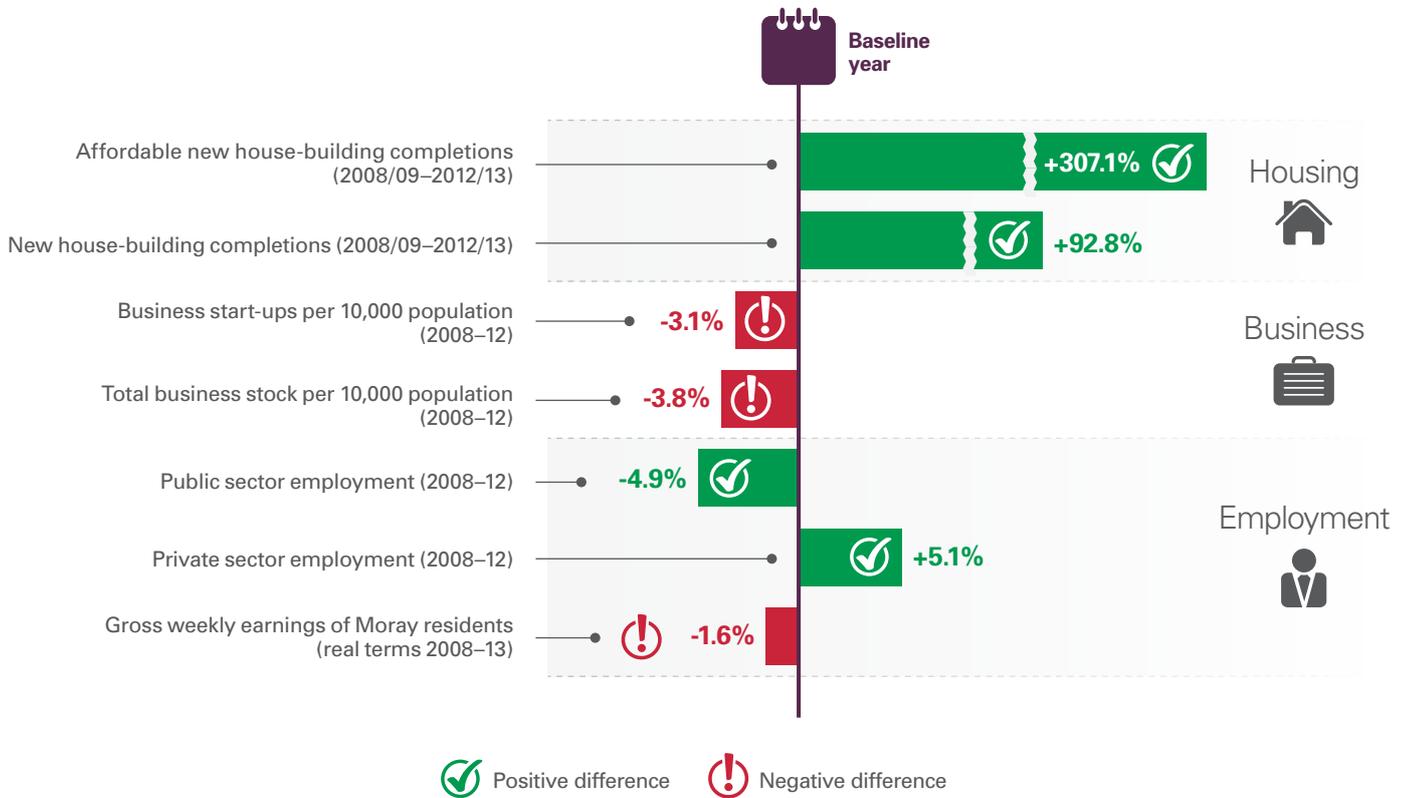


Source: *Outcome Delivery Plan, 2013, Moray CPP*

75. There is evidence to show that, over the past two years, the MEP has made some progress towards its objectives and the SOA's targets ([Exhibit 14, page 37](#)). In particular, there has been a significant increase in private sector jobs and a similar fall in the number of public sector jobs. This shift in Moray's economy is confirmed by annual surveys ([Exhibit 15, page 37](#)).

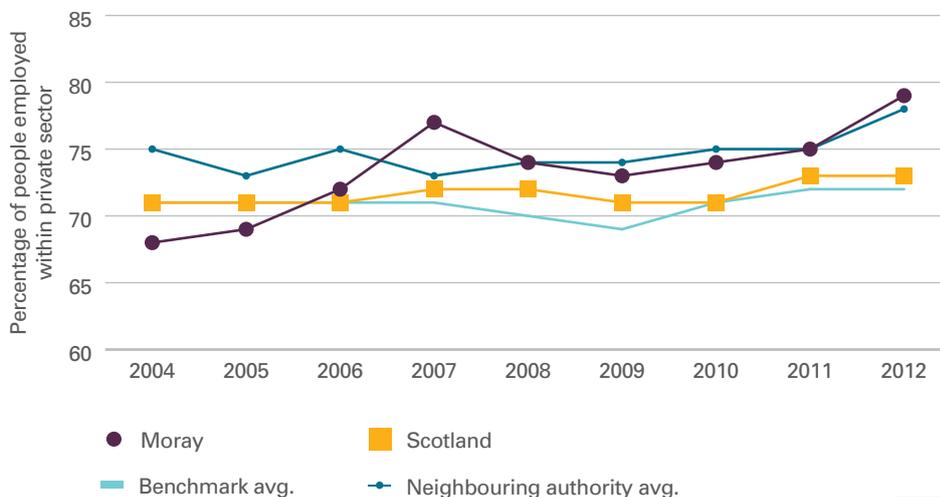
76. The partnership can also point to some high-profile successes with job creation and retention. This includes the expansion of established employers, such as Baxters and Walkers, as well as attracting inward investors such as ATOS ([Case study 1, page 24](#)). Partnership working by SDS, HIE and Moray Council reduced the impact of the potential loss of 1,633 jobs from RAF Kinloss. This involved preparing RAF leavers for civilian work, resulting in no significant increase to Moray's unemployment rate. Similarly, partnership working between NHS Grampian, Moray College and HIE has recently led to the development of the £7.2 million Moray Life Science Centre. This is expected to create about 34 jobs and the potential to increase research and development and higher education opportunities.

Exhibit 14
Performance trends for A growing and diverse economy
 Percentage change since 2008 baseline year.



Source: *Outcome Delivery Plan, 2013*, Moray CPP, and Audit Scotland analysis of national data

Exhibit 15
Moray is becoming less reliant on public sector employment
 An increasing percentage of people consider themselves to be employed in the private sector.



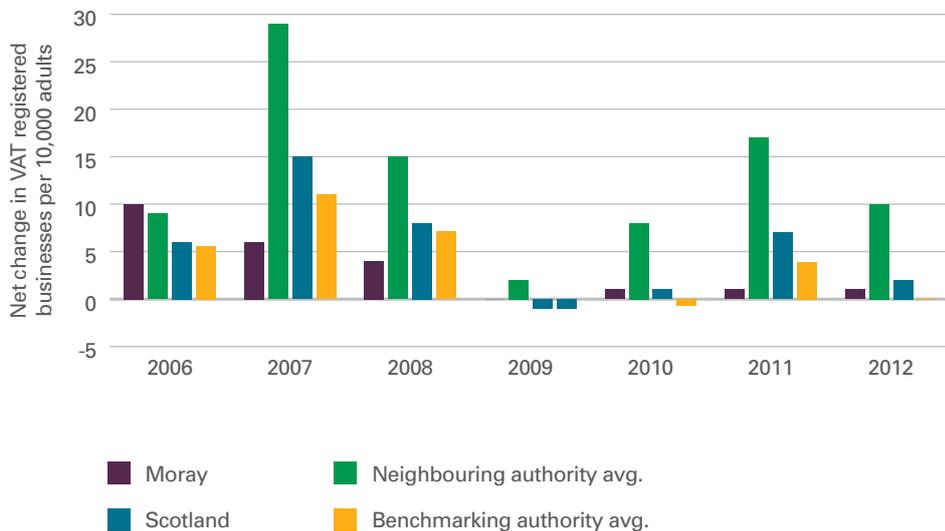
Source: Annual Population Survey

77. Despite these successes, there is less clear evidence to show that the number of businesses in Moray has increased. Scottish Government statistics suggest that the number of business start-ups and the overall number of businesses has actually fallen over the past five years ([Exhibit 14, page 37](#)). This information is based on the number of VAT registrations. It suggests there has been some growth in the number of businesses within Moray in recent years, but that this is lagging significantly behind the levels in neighbouring areas ([Exhibit 16](#)).

Exhibit 16

The net change in VAT registered businesses per 10,000 adults

Although the number of VAT registered businesses in Moray is increasing it is below the Scottish rate and the average of three neighbouring local authority areas (Aberdeen City, Aberdeenshire and Highland). Performance has fluctuated against benchmark comparators but figures for 2012 show improvement.



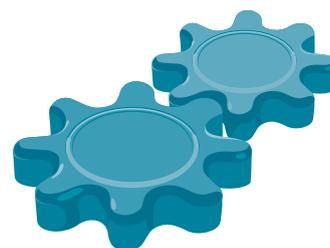
Source: Audit Scotland analysis of Scottish Government Business Demography Statistics



78. Although the number of business start-ups has fallen, Moray’s Business Gateway has supported 444 new business start-ups, resulting in the creation of 662 full-time jobs since it was established in 2009. In terms of sustainability, 80 per cent of the businesses set up continue to trade successfully with ongoing support from Business Gateway. It has also supported local businesses to acquire nearly £1.6 million of loan funding over the past three years.

79. This, and the earlier information showing that overall private sector employment has increased, suggests that the nature and size of Moray businesses has altered and fewer individual firms are employing people. These indicators suggest a number of small firms have increased in size while employment has been consolidated into a smaller number of large firms. Whatever the explanation, there is no clear evidence to show that Moray CPP and the MEP have yet succeeded in significantly increasing the number of local businesses.

Improvement agenda



Strategic direction

- Moray CPP needs to build on recent improvements by:
 - ensuring that its ten-year plan influences the strategic priorities of individual partners and helps drive joint working and shared resources
 - reviewing the plan periodically to ensure that it continues to reflect local priorities and contains relevant targets
 - ensuring that the ten-year plan is supported by a clear and agreed delivery plan that sets out the specific actions partners will take, with timescales and resources.
- Moray CPP should develop and implement a clear prevention plan, with specific proposals and targets for monitoring their effectiveness.
- Moray CPP needs to develop specific proposals on how it intends to tackle inequalities and targets for monitoring their effectiveness.

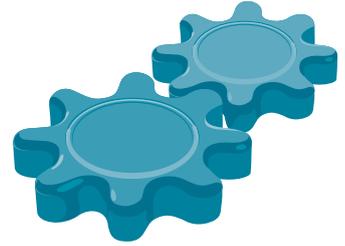
Governance and accountability

- The board needs to establish itself as a genuine partnership, with all partner organisations taking responsibility for setting agendas and delivering the CPP's priorities.
- The board needs to continue to develop its strategic role, with a greater focus on its potential to coordinate and support the spread of partnership working.
- The partnership needs to implement a robust performance management framework, with regular updates on progress against the ten-year plan.
- The board needs to provide more challenge and hold individual partners and partnership groups to account for delivery against the outcomes in the ten-year plan.

Collaboration

- Moray CPP needs to show that it is helping to shift local resources towards its key priorities.
- The board needs to clarify the arrangements for community engagement, specifying the links between the Area Forums, the CEG and the CPP Board.
- The board needs to establish a new approach to help coordinate community consultation and, where appropriate, encourage the involvement of local communities in helping provide some services.

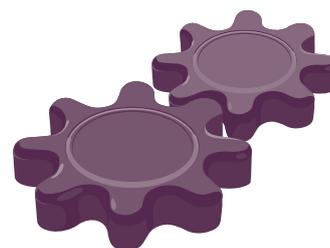
Endnotes



- ◀ 1 Moray's figure for gross weekly earnings does not include military employees.
- ◀ 2 *Commission on the Future Delivery of Public Services*, Dr Campbell Christie (Chair), June 2011.
- ◀ 3 *Statement of Ambition for Community Planning*, Scottish Government and COSLA, March 2012.
- ◀ 4 [Community planning in Aberdeen \(PDF\)](#)  March 2013,
[Community planning in North Ayrshire \(PDF\)](#)  March 2013,
[Community planning in Scottish Borders \(PDF\)](#)  March 2013.
- ◀ 5 The five Community Planning Partnership audits are Falkirk, Glasgow, Moray, Orkney Islands and West Lothian. Audit Scotland has previously published three national reports on community planning:
[Improving community planning in Scotland \(PDF\)](#)  March 2013,
[The role of community planning partnerships in economic development \(PDF\)](#)  November 2011,
[Community planning: an initial review \(PDF\)](#)  June 2006.
- ◀ 6 A Single Outcome Agreement is a document setting out local priorities for a council area as agreed by the community planning partners and the Scottish Government.
- ◀ 7 Benchmarking groups are part of the Local Government Framework which supports performance data collection and comparison. Moray's benchmark group also contains Stirling, East Lothian, Angus, Scottish Borders, Highland, Argyll and Bute, and Midlothian.

Appendix

Audit methodology



The focus of our work was to assess the effectiveness of community planning in Moray in making a difference to local communities.

Thematic and area reviews

- We conducted specific audit work in relation to economic development and the misuse of alcohol. We also did locality audit work in the Tomintoul and Forres areas of Moray.
- A representative from Education Scotland took part in interviews with officials from Moray Council to help us with our thematic reviews.

Desk research

Our audit team reviewed a range of documentary evidence provided by the partnership, including:

- previous and current versions of the SOA
- individual community planning partner organisations' strategies
- community planning meeting agendas, minutes and reports.

Data analysis

We analysed performance data for a range of indicators in the Moray SOA, including the following sources:

- Scottish Neighbourhood Statistics
- Scottish Index of Multiple Deprivation
- Office for National Statistics
- National Records of Scotland
- Nomis labour market statistics
- The Scottish Public Health Observatory
- NHS Scotland Information Services Division
- Audit Scotland Statutory Performance Indicators.

On-site fieldwork

We attended three meetings of the CPP Board and reviewed reports for the partnership groups underneath.

We carried out interviews with a range of community planning partners between October 2013 and February 2014. These included members of the CPP Board and partnership groups representing the following organisations:

- Moray Council
- NHS Grampian
- Moray College
- tsiMoray ('third sector initiative')
- Police Scotland
- Scottish Fire and Rescue Service
- Skills Development Scotland
- Highlands and Islands Enterprise
- T&GDT
- FACT.

Moray Community Planning Partnership

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