

An Economic Strategy  
for Falkirk **2015-25**

industry  
innovation  
opportunity  
growth  
investment  
inclusion

# An Economic Strategy for Falkirk 2015-25

Our economic strategy is informed by an understanding of our past, the challenges of the present and the opportunities for our future.

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## Foreword

Falkirk is being transformed. From a past reliant on heavy industry, Falkirk is recognised for its commitment to the future, to new economic prospects in manufacturing, chemical sciences and logistics; in new service industries and in attracting tourists to our area. It is an area committed to growth, attracting investment and including all in its communities to benefit from its economic prospects.

This economic strategy sets out our ambitions for the area's future, creating a smarter, more sustainable economy which offers opportunity for all. It is being pursued by the Council and its partners whose efforts are galvanised through the Falkirk Economic Partnership, formed between the public and private sector to secure the area's economic future.

Excitingly, Falkirk's journey of transformation is well known. The Falkirk Wheel, Helix Park and the Kelpies provide internationally recognised symbols of change. They have established a growing tourism market. The ambition of the local community, the businesses and the public sector partners to work together is solid and a platform for further success.

The purpose of this strategy is to set out what we wish to achieve, consider any obstacles to change and how to overcome them to the benefit of all in our communities. We want this to be a living document and wish to engage people about our shared economic future. Falkirk's Economic Strategy will be reviewed and refreshed regularly so that it reflects the hopes, needs and ambitions of our entire community.

# Falkirk's Economy

growth  
inclusion  
investment  
opportunity  
change  
future  
innovation  
industry  
promotion

## Productivity

Productivity levels in the UK, Scotland and the Falkirk area present a challenge. The Gross Value Added (GVA) for Scotland in 2013 was estimated to be £117.1 billion giving GVA per person of £21,982. The equivalent GVA for Falkirk Council area in 2013 was estimated at £2.6 billion with a GVA per person of £16,509.

Falkirk's GVA per head of population has been lower than that of Scotland, the UK and Eastern Scotland for the last 15 years. In 2013, Falkirk was 30% lower than the UK figures and was 25% lower than the Scottish and Eastern Scotland figures. This disparity has increased since the start of the economic downturn in 2008.

Manufacturing is a particular strength of our economy, contributing almost a quarter of Falkirk's GVA in 2012. This compares to just over 10% across Scotland as a whole. This is largely due to the impact of the petro-chemical complex at Grangemouth which is a leading contributor to the local and national economy.

Falkirk was above the Scottish average in its contribution to GVA in the construction industry - 9.0% compared to 6.4% - and distribution, transport, accommodation and food - 19.9% compared to 17.4%.

Conversely, information and communication, finance and insurance, real estate and business service activities contributed over 30% of the Scottish total GVA, whereas in Falkirk they contributed less than 16%.

In primary industries such as farming, mining etc., the national GVA contribution was 8.3% whereas in Falkirk they only contributed 3.7%.

## Case Study: Waste Sector

Falkirk is at the forefront of work to increase recycling and promote a more circular economy. The European Waste Framework Directive, Scotland's Zero Waste Plan (2010) and Waste (Scotland) Regulations 2012, places obligations on us to change practices and find new ways to operate such as inhibiting the transfer of waste to landfill. We are embracing this through our Zero Waste Strategy (2012-2022). The strategy urges a reduction in the amount of waste produced, improving waste collection, creation of resource management infrastructure and management of non-recyclable waste. The Zero Waste Strategy forms the backbone of Falkirk Council's approach to this sector and its principles are reflected in the commitment to creation of a circular economy in Falkirk.

'we need to strive for greater recognition of Falkirk's contribution to economic growth particularly through exports and imports not only activity that originates here'

'Falkirk's population has increased at more than double the national rate over the last 20 years'

### Demographics

Falkirk's population has been rising over the last 20 years, increasing from 142,240 in 1993 to 157,140 in 2013. Latest projections suggest the population will increase by a similar amount over the next 24 years to around 173,000 by 2037.

Falkirk population has increased at more than double the national rate over the last 20 years. While the number of children is projected to increase slightly in the future, the number of older people will increase considerably, with those aged 75+ increasing by 94% by 2037. The over 50s increased by a third from 1991 to 2013 but should remain steady for the next 24 years.



### Labour Market

Falkirk has had a consistently higher economic activity rate than Scotland and the UK over the last eight years. 66,600 were in employment while 7,500 were self-employed, making up 10.2% of the employed population. This is a smaller proportion of self-employed than in Scotland as a whole, where the percentage of self-employed was 11.0%. About two thirds of self-employed people are males, only one third female.

12,500 more people commute out of Falkirk Council area to work than journey in. This compares with a net difference of 7,150 in 2001. The three areas to which there is the greatest net out-commuting are Stirling, Edinburgh and Glasgow. In spite of the increase in the level of commuting, the pattern has changed little between 1991 and 2011.

The earnings of people living in Falkirk are slightly lower than the Scottish and the Great Britain averages. The median gross weekly earnings for full time workers in 2014 living in Falkirk was £508.70, 1.8% lower than the Scottish median of £518.20 and 2.3% lower than the Great Britain median of £520.80.

From 2008 to 2012 the median weekly earnings for men increased by 18%, but over the same period women's weekly earnings increased by only 6%. However, women's earnings have decreased in the last two years. Women's earnings in 2014 were over 30% lower than those of men and this gap has increased since 2012.

Since 2006/07, the percentage going into Further and Higher education has increased in both Falkirk and Scotland as a whole.

The percentage going into a positive destination has increased in Falkirk from 84.3% to 91.1% and the gap between Falkirk and Scotland has almost disappeared.

### Skills and Qualifications

The Falkirk figures show a similar pattern to Scotland as a whole, although generally the level of qualifications held is lower. The percentage of people with an HNC/HND, degree or higher qualification is higher across Scotland (41%) than in the Falkirk Council area (34%) and this applies across the full age range of 16-64.

Since 2007, attainment has improved. For example, the percentage of S4 pupils achieving 5+ Standard Grades improved from 30.4% to 38.7% and the percentage of S6 pupils achieving 5+ Highers increased from 16.3% to 25.9%. At the same time the gap between Falkirk and Scotland has decreased so that by 2013, the Falkirk attainment figures were very similar to those across Scotland.

Overall, almost the same percentage of Falkirk school leavers went into a positive destination in 2013/14 as across Scotland - 91.1% compared to 91.4%. However, fewer in Falkirk went into Further or Higher Education, with more going into training or employment.

# Challenges and Opportunities

change  
future  
innovation  
industry  
promotion  
business  
vision

## Opportunities

### Attracting Investment and Jobs

Falkirk's location provides it with many clear advantages however it has strong local competitors for investment and jobs, lying equidistant between Scotland's two largest cities. With Edinburgh's strengths in finance and tourism and Glasgow's strengths in retail and manufacturing, Falkirk has focussed on areas where it performs more strongly.

Some of Falkirk's key strengths are in the chemical sector, high value manufacturing, and logistics. Evidenced by the strong sectoral presence in each of these and the contribution to local and national value that these make, a two pronged approach to growing our economy is required. This focuses on the area's strengths and fostering new capacity for a skilled workforce to deploy its talents and for young people to secure a career.

Our strength in petrochemicals needs reinforced through innovation and co-location, attracting smart, greener technologies and in building complimentary business in renewables, sustainability and supporting services. With a cluster of knowledge, suppliers, skilled labour and training and an upgraded infrastructure, there is an opportunity in Grangemouth to create a new, profitable and sustainable industrial centre of excellence providing jobs and growth whilst augmenting the capacity of the existing petrochemical sector.

Meanwhile we need to diversify our economy, building new sectors in tourism, finance and business services. Building on the success of Helix Park, the Kelpies and numerous growing attractions, there is an opportunity to cement tourism as a vital part of Falkirk's economy. The formation of new business ventures, such as the Falkirk Business Hub and Earlsgate Park, provide exemplars of the modern infrastructure we need to attract new service sector employment and contemporary modes of working.

We must also recognise the potential of growing sectors in education, health and social care where changing demographics will provide a new range of economic opportunities.

Crucially, our work must result in attracting investment and jobs to the area. We must work with our partners across the public and private sectors to ensure that the opportunities our area presents are put to the forefront of investors' attention and that our response to their enquiries is matched with a clear commitment to deliver.

Falkirk's future will be in growing the sectors where we already lead the way in Scotland but also in developing new industry where our location, skilled workforce and investment-ready approach can help bring jobs and prosperity.

## A Greener, Smarter, More Sustainable Falkirk

The Scottish and UK Governments have set ambitious targets for carbon reduction, urging a shift to renewable energy supplies, more sustainable forms of transport, promoting a circular economy and improving the quality of our environment. A greener economy for Falkirk presents many opportunities including:

- Development of sustainable business and energy efficiency processes
- Promotion of new renewable energy infrastructure generation capacity and supply
- Development of more sustainable forms of transport, through the promotion of a low carbon logistics hub, hybrid and electric vehicles and increased modal shift
- Development of a circular economy - reusing valuable resources and channelling these back into the economy through new products.

Application of new smart technologies to monitor environmental performance, improve efficiency of industrial processes and increase the safety and security of business and residential areas.

## Making Falkirk a Premier Tourism Destination

The perception of Falkirk as a tourist destination has changed significantly over the last 15 years. Our prime tourism attractions have played a significant role in establishing Falkirk as an integral part of Scotland's tourism business. The area boasts a mix of attractions spread throughout the area which has resulted in a strong tourism presence across the region. This has also developed a broad range of attractions which are situated not only in Falkirk itself but across most towns in the area and in rural locations - this mix of attractions provides a diverse tourism proposition with something for everyone:

- the Falkirk Wheel
- Helix Park and the Kelpies
- Callendar House
- Bo'ness & Kinneil Railway
- Bo'ness Hippodrome

We have secured the emergence of a Falkirk as a location which can sustain increased visitors numbers and extended visitor stays.

Significant progress has been made through brand-building activities including music events and festivals such as Rock the Stadium, inclusion in international VisitScotland campaigns and promotion of the Falkirk area at trade events including VisitScotland Expo. The delivery of the recent Visitfalkirk Tourism Strategy was complemented by the launch of our website, [www.visitfalkirk.com](http://www.visitfalkirk.com) which builds on the existing credentials of the Visitfalkirk and VisitScotland brand to showcase the attractions of the Falkirk area.

## International Opportunity

The rate of change in Scotland's workplaces has increased significantly over the last 20 years. New technologies have altered the way that people interact and conduct their work creating a raft of new job types. These technologies have brought our global competitors closer, presenting risks and challenges in cost, service and innovation.

We need to ensure that we provide the infrastructure for our businesses to compete in this global marketplace. We must ensure that world-class digital connectivity is available and reliable throughout the area and that our physical infrastructure can enable the international flow of goods and services.

Our young people need to be prepared to deal with international clients and suppliers and be comfortable with foreign languages and customs. Crucially, our businesses need to be able to take the steps to look beyond our local borders to grow their markets and supply chains in order to keep pace with global competitors.

## Challenges

### Financial Pressures

Many organisations are facing financial pressures at this time. Pressures on public sector budgets, including those of the Council will require that we enable the delivery of our economic ambitions in new and innovative ways and in doing so, change how we operate. We must investigate more efficient means of service delivery, providing services at lower cost, adopting innovative service channels and engaging new partners. The role of the private sector in delivery of our objectives will prove vital. Initiatives such as the Falkirk Economic Partnership, Falkirk BID and the recently formed Tourism Partnership, which engage business actively in delivering support for economic development are of critical importance and provide a template for public-private partnership which will be essential to sustaining valued services.

### The Employment Gap

Demographic pressures will increase the demand for care services and particular community services such as the anticipated increase in demand for new school places across the Falkirk area. Similarly, in order to address an increase in the competition for jobs available to our young people entering employment, we need to increase our engagement with employers and boost the level of apprenticeships and training schemes being offered.

This approach will need to be replicated across the broader range of services as we work with private, public and third sector organisations to fill the gaps in service provision that budget reductions may cause. Significant work has been carried out over the last ten years to address the youth unemployment gap, leading to real progress for young people.

We do still have a level of youth unemployment above the national average and a significant gap skewed against young men under 24. Solutions require targeted assistance to ensure that men aged 16-24 are not falling out of the labour market at a crucial point in their development and training.

The issue reverses when we address self-employment and earnings. Wages for women are lower by around 30% and the number of self employed women around half the number of self-employed men.

Disabled people also face significant challenges in accessing the workplace. Across the UK only half of disabled people are in work and disabled people face multiple constraints in accessing and sustaining employment.

## Purpose of the Economic Strategy

investment  
opportunity  
change  
future  
innovation  
industry  
promotion  
business  
vision

Falkirk is being transformed, from the opening of the Falkirk Wheel and the renewal of the area's secondary school stock to the conception and delivery of Helix Park and the Kelpies all demonstrate the area's commitment to change.

This strategy assesses our progress, identifies challenges and opportunities and aims to apply the lessons we have learned to take account of a changing landscape, recent developments within Falkirk and in the wider global economy.

The purpose of this Strategy is to:

- Plan for sustainable economic growth
- Identify how to maximise Falkirk's economic potential
- Leverage the area's comparative advantage in particular industries and sectors
- Set out plans to broaden and diversify Falkirk's industrial base
- Identify new sectors and opportunities for growth
- Promote innovation and the application of new technologies
- Highlight the area's potential and means to attract investment
- Stimulate further development in the skills and experience of Falkirk's people to enhance our ready, highly-skilled workforce.
- Help create opportunities for all
- Identify our priorities for action

We have had regard to national policy development, including:

- Scotland's Economic Strategy
- EU Structural Funds Operational Programme 2014-20
- Tourism Scotland 2020
- The Routemap for Renewable Energy in Scotland
- Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth

We have also drawn on existing policies of the Council and the Community Planning Partnership. As such, this strategy should be viewed in conjunction with the

- Falkirk Strategic Community Plan and Single Outcome Agreement
- Local Development Plan
- Falkirk TIF Business Case 2013
- Visitfalkirk Tourism Strategy
- Employability Action Plan

This strategy forms the economic arm of the Falkirk Strategic Community Plan and its actions contribute towards the achievements of outcomes for the Strategic Outcomes and Local Delivery plan.

'Falkirk has had a consistently higher economic activity rate than Scotland and the UK over the last eight years'



## Consultation and Engagement

To inform this strategy we have engaged a wide range of stakeholders across the Council, public sector bodies and the wider business community via the Falkirk Business Panel. The external consultation process has been broad and involved a varied range of interests.

The Falkirk Business Panel and wider business community have contributed through events such as the Annual Conference, Falkirk Business Day, Business Update event and Business Breakfasts.

There has been a continued process of direct engagement with local businesses to continually update our understanding of their needs and requirements. A central part of this is the support of Business Gateway and their advisors - who meet with businesses daily and are well-placed to understand the local economy and business needs.

Falkirk Economic Partnership has acted as a steering group for the Strategy process bringing together Scottish Government, Scottish Enterprise, Forth Valley College, Scottish Canals and a number of private sector decision makers. This has ensured that the key strategic direction of the local and national economy is reflected and supported in our approach.

We have reached out to external economic development stakeholders such as Scottish Enterprise, Scottish Development International, Chemical Sciences Scotland, VisitScotland, the Scottish Council for Development and Industry and Department for Work and Pensions through a series of workshops to progress our ideas with the knowledge and experience of other public sector support organisations and to identify and tackle shortcomings and target areas for improvement.

Throughout the process, comments and responses from across the community have been invited and in order to open up the consultation as widely as possible, the draft strategy was made available on the Falkirk Council website for 4 weeks with a survey and call to respond. This survey was well subscribed and the comments are embedded into the document, strengthening, amongst other areas, the approach towards tourism, town centre regeneration and skills development.

Comment and response has been invited in developing this strategy and we will maintain a dynamic process with opportunities for dialogue and discussion about Falkirk's economic future being maintained as we progress.

## Case Study Assessing International Markets Scottish Fine Soaps

The story of Scottish Fine Soaps international expansion gives a great example of the potential for Scottish businesses, the support available and the benefits of a desire to explore global opportunities.

Scottish Fine Soaps, founded in 1974 and based in Carronshore, combines a solid family business with a history of innovation and improvement. The company have been exporting for many years and you can find their products in 20 countries. Recently, however an opportunity came to explore an exciting new avenue to reach a growing market for luxury goods. As a result of links with China developed by the Council and Scottish Development International, the company is selling to a growing Chinese consumer market. Demand was sudden and continues to grow. Scottish Fine Soaps' Chinese retailer now features these Falkirk products in around 50 of their 'offline' showrooms with plans to expand this and to carry new lines of products being developed here in Scotland.



# Our Vision

promotion  
business  
vision  
create  
flourish  
community  
vibrant  
attractive  
competitive

We aspire that Falkirk is the place to be; a smarter, greener and more inclusive place, where opportunities for work, quality of life, leisure and the excellence of the living spaces offer the ideal location for people, business and communities to thrive.

## A Growing Economy

Falkirk will be a prime location in Scotland for innovation where clusters of likeminded businesses, a skilled workforce and a supportive, focussed education system, draws on innovation from across the world to develop the fields of chemical sciences, new energy, smart technology, manufacturing and sustainable development.

## An Economy Attractive to Investors

Falkirk will present excellent opportunities for investment with an infrastructure and support available to enable ready access to sites, premises and finance for development and a skilled, flexible workforce attuned to the demands of a competitive global economy.

Falkirk will be recognised as the gateway to Scotland; a national logistics hub with a busy port with networks distributing goods throughout the country and exporting across the world by road, rail, sea and air.

Falkirk's economy will be smart, sustainable, a base for innovation, education and training to meet the ever changing demands of the global economy.

## An inclusive Economy

Falkirk will be recognised for enabling opportunities for all in communities across education, work and leisure.

In short, Falkirk as a place where people and business want to be; where they can thrive, knowing that the area offers opportunities for all.

## Key Priorities

Our priorities encompass the challenges and opportunities set out above. By tackling these we aim to:

- **Grow** the Falkirk economy, boosting business formation and growth, fostering innovation, ensuring a skilled workforce and delivering skilled high value jobs
- **Attract Investment** to enhance the area's infrastructure, attract business and realise in full the area's economic potential.

We will promote the Grangemouth Investment Zone as a key focus of our actions

- **Include** all in our communities to access opportunities and make a full contribution to the area's economy.

## Case Study

### Ineos

INEOS is a globally recognised company and a key player in the UK's Chemical Sciences sector. Falkirk must leverage that recognition. The completion of the largest ethane tank in Europe, the construction of a new headquarters building and the commitment to renewing their site will form an important part of investment plans for Grangemouth. Working with Petroineos, (established in partnership with Petrochina) investment from INEOS in the coming years will reach over £500m. INEOS, plan further development at their site and aim to re-define the Grangemouth Industrial Complex as a centre for co-location and as one of the prime chemicals clusters for the UK. The Council, Scottish Enterprise and Scottish Government aim to work closely with Ineos to help realise the potential of this facility and deliver an investment prospectus to enable this location to compete with its competitors across the globe.

# Priority One **Growing Falkirk's Economy**

We want to grow the Falkirk economy, boosting business formation and growth, fostering innovation, ensuring a skilled workforce and delivering skilled high value jobs

sustainable  
competitiveness  
location  
realisation  
potential  
build  
vision  
success  
invest

## **Business Support**

Business Gateway offers interventions to assist business to start up and grow. It works closely with Scottish Enterprise, other enterprise agencies and Council services including procurement, planning, food safety and building control to enable a one-stop service for business growth. This approach has allowed development projects to proceed more quickly and give faster resolution to any obstacles encountered. With Council and EU assistance, the Business Gateway offers rounded and flexible support to meet business needs. We will

- sustain an integrated Business Gateway service helping local businesses to grow, developing a business support function that is responsive, supportive and experienced.
- work with business to find opportunities to diversify products and services through better marketing of existing offerings; increasing market reach through developing an online presence and developing new markets through improved promotion and branding.
- ensure that sites and premises are available and affordable to extend operations, to take on premises for the first time or attract new investment.
- continue to offer a varied programme of enterprise workshops providing knowledge and skills for business to start up and grow
- build upon existing relationships with training providers such as Forth Valley College to make sure that the right options are available to develop staff and train people to compete in the labour market and meet emerging business needs.
- align our business support offering with support for training to help our residents make the transition from education to work for the first time or back into work.

- leverage the support of national partners such as Scottish Development International and UK Trade and Investment to ensure that our businesses are receiving the support to confidently approach new markets and export their products and services.
- assist businesses to access funding for growth from banks and institutions, regional, national and European sources (including the Scotland Investment Fund, Regional Selective Assistance and targeted sector-specific Government programmes such as the Food Producers Grant Scheme).

## **Build a Stronger Business Community**

One of the real successes of the previous strategy has been the development of a strong business community in the Falkirk area. Through the Falkirk Business Panel, communications, networking opportunities and major events such as the Falkirk Business Day and the Business Falkirk Annual Conference have taken place. Ongoing engagement has identified a need for more sector-specific and focussed events and, following a successful pilot, we have added these to the programme of events. We must continue to deliver a responsive service to the business community identifying areas of need and opportunity, targeting support where it can have the greatest impact.

We need to help business to identify the opportunities and value available from building supply chains involving local partners and take full opportunity of the public sector tender opportunities available. Falkirk Council is approaching this support in conjunction with Stirling and Clackmannanshire Councils to ensure best level of support possible to local businesses through accessing support from Public Contracts Scotland, the Supplier Development Programme, Scotland Excel and the Council's own procurement clinics.

It is essential that the business support service reflects the needs of the business community and we aim to enhance our responsiveness to changing requirements in traditional sectors and emerging opportunities in sectors such as tourism, the environment, social care or health. By adopting modern technology and social media platforms we aim to increase awareness of activities and enhance relevance of the business support programme.

## **Land and Buildings for Growth**

The provision of appropriate, high quality accommodation is essential to supporting the development of the local economy but also as a key attractor to inward investment.

Across Falkirk, the Council owns and operates industrial, commercial and office accommodation to facilitate access for local businesses. We maintain an extensive property portfolio accommodating almost 500 businesses. Through our Portfolio Management Plan we aim to extend our range of business properties and attract new businesses. We will:

- help sustain a range of premises to meet business demand through our Portfolio Management Plan and by working with private sector partners, Scottish Enterprise and others to sustain provision, well-suited to market need
- Pursue the formation of new development opportunities and assist private sector property investors
- monitor market requirements and apply this intelligence towards facilitating new provision

## Town Centres

We aim to rejuvenate our town centres, ensuring they are more attractive and resilient in the face of the challenge from online retailing and out-of-town retail locations. A new town centre strategy is being prepared and this strategy seeks to improve the fortunes of our town centres through the attraction of investment in retail, commercial and related sectors. The opportunities for residential expansion to enhance the development mix and increase the resident population of town centres will be explored. We will:

- implement our Town Centre regeneration strategy, seeking to attract investment and increase retail footfall in our centres.
- work with Falkirk Delivers, the Falkirk BID to promote the fortunes of Falkirk town centre.
- promote Shop Local initiatives in each district centre
- continue delivery of the Falkirk THI, upgrading the historic core of the town centre
- promote a scheme for the upgrade of the public realm in the town centre
- complete the regeneration of Denny town centre and offer continuing support to town centres across the area.

## Foster a Culture of Innovation

Levels of innovation in competitor markets are such that in order to compete Falkirk businesses have to innovate through their process, products and services. Our aspiration, one shared with local businesses, communities and through our education system is to put innovation at the centre of how we organise our activities.

Scotland has a strong history of innovation and Falkirk has been pivotal in this, dating back to the beginning of the industrial revolution. We must reframe and revalue investment in research and development as an essential business process rather than a luxury or a contingency strategy.

We need to foster a culture of innovation through education into training and the workplace, finding ways to operate more efficiently, increase productivity and use our resources more effectively. We need to help organisations access the research and support available through Scottish Enterprise and other bodies to embed innovation into everyday operation and future investment. We have to promote the use of smart technologies, embedding these in business operations or infrastructure provision to enhance sustainability and resilience.

The factors and unique selling points that draw people to Scotland and Scottish products need to be leveraged to create new and engaging products.

Businesses need assistance to review how they approach innovation. Along with our public sector partners we will instigate fora and networks to connect universities, colleges and other centres of research to the machinery of business to ensure that the ideas and research generated are being converted into viable opportunities.

## A Skilled Workforce

We will apply the Falkirk Skills Pipeline model, helping people to progress into training and employment and helping business to meet their skills requirements.

Our business support work, education, employment and training must create a seamless pathway from education to the world of work. We will enhance the engagement of the education sector in helping to meet the growth ambitions of local companies through the creation of a skilled and motivated workforce.

In Falkirk we have one of the most successful and innovative FE colleges in the UK, in Forth Valley College. The College has 1,500 apprentices, 650 are within engineering, the highest number of skilled engineering apprentices in the country. Its focus on meeting the needs of industry, particularly those in the Grangemouth cluster is a key ingredient for success. The construction between 2017 and 2019 of a new £70m campus at Middlefield on the Falkirk Gateway site must be recognised as an opportunity to reinvigorate our approach to the delivery of skills suited to the needs of business, increasing our capacity to innovate and compete

We will ensure that the Council, College, business and other partners work closely together to increase understanding of future skill demands and ensure these are met, taking advantage of the creation of the new Campus development to increase the motivation and engagement of young people, boosting their skills and helping them to access jobs.

The Council, College, Skills Development Scotland and local employers have been very successful in improving the positive destinations of school leavers from across our education system. Nevertheless there remains a disparity in the numbers of students progressing to further and higher education from Falkirk relative to the national averages.

We need to engender a change in attitudes to support our young people to be able to benefit from all of the post-education options available, vocational training, further education or otherwise.

## Internationalisation

In today's globalised world, there are opportunities to look outwards to new markets. Falkirk has led the way in international trade in the past and it is now both easier and more important than ever before to find partners, customers and suppliers all over the world. Our central location and multi-modal capacities give our area a genuine edge.

Access to world-class digital connectivity and transport infrastructure helps tackle global challenges and a key aim is to ensure that Falkirk retains these infrastructure strengths and can be future-proofed against the changes of a digital age.

Internationally, customers have a keen interest in the Scottish Brand and the values that it carries. We need to help businesses realise what they have to offer in global markets and redouble our efforts working with Scottish Development International and to ensure that the opportunity of opening up new markets is made available to Falkirk companies across sectors and industries. We must assist our chemicals sectors companies to realise their ambition to grow their exports by 50% by 2020.

We recognise the opportunities in creating strong partnerships with rapidly growing countries such as China and India however we must consider partnerships closer to home across the UK, the Republic of Ireland and the rest of the European Union, particularly our twinning partners in France and Germany.

## Developing our Tourism Offer

We are now firmly in the tourism business and need to develop the offer we have available to our visitors. The Falkirk Tourism Strategy sets out what the area aims to achieve over the next 5 years and has set 3 overarching targets:

- To increase visitor expenditure in the Falkirk area by 20% over the next five years to 2020.
- To increase overnight visitor accommodation (serviced bedrooms and self-catering units, including camping and caravanning provision) in the Falkirk area by 20% over the next five years to 2020.
- To develop a Falkirk Tourism Partnership to take ownership of, to review and to implement the strategy - this Partnership is now in place.

The tourism work will be delivered through three Strategic Priorities:

- Targeting key markets
- Providing enjoyable and marketable experiences
- Improving the customer journey

The full version of the Tourism Strategy is available on the Falkirk Council website and at: [www.visitfalkirk.com](http://www.visitfalkirk.com). We will work to deliver the tourism strategy and align its activities with the wider ambitions for the Falkirk economy.

## Case Study Denny Town Centre

Denny town centre has suffered from under investment, poor design and a town centre ill-suited to modern retailing. Following extensive consultation with the local community and businesses the Council has initiated a comprehensive regeneration scheme with the first phase delivering replacement shop units, a community library, a new town square and upgraded public realm. Additional phases will see a new foodstore and related development with the aim of restoring vibrancy and civic purpose to the town centre.

## Priority Two **Investment**

We want to attract investment - to enhance the area's infrastructure, attract business and realise in full the area's economic potential. We will promote the Grangemouth Investment Zone as a key focus of our actions

competitive  
sustainable  
location  
realisation  
potential  
success  
chemicals  
life sciences  
invest

### **Physical Infrastructure**

In 2013 Falkirk Council led the creation of a significant and highly innovative investment programme involving the use of the Scottish Government's Tax Incremental Finance (TIF) Scheme. This has secured £67m to invest in infrastructure for growth however this is only the lever with which to deliver investment. The money is being used to create the conditions to induce over £500m of private sector investment and help create 5,000 jobs. Over the 30 sites identified across the area, finance is available to improve access, prepare sites, bring utilities and overcome barriers to investment.

The work of this programme has started with development of junctions to ease the flow of traffic from Grangemouth port to the existing logistics and transport centres. The work will continue with developments including the opening of new employment land sites with direct access to the M9 and the investment, with partners, of c£30m to improve road links between the M9 and the M8, strengthening Falkirk's existing position at the centre of Scotland's transport networks. Related footpath and cycleway infrastructure improvements must also be supported.

### **Water Management**

Managing flood risks and realising the potential of our canal infrastructure offers significant potential for investment in Falkirk. Work is underway to design flood defences for the Grangemouth area with funding assistance available via the TIF. Scottish Canals aim to secure the regeneration potential of the canal network and to exploit new technology and practice in sustainable water management, integrating this with other canal-related development.

### **Investment in Digital**

We have a compelling case for superfast, high bandwidth connectivity, ranging from high value manufacturing, logistics and health care to the tourism and creative sectors. However the real benefit from investing now in our digital connectivity infrastructure is in ensuring that Falkirk does not lag behind its competitors.

As more services move online, the need to respond via electronic means is a pre-requisite rather than an optional extra. The transfer of data across all areas of society is shifting online and the future requirements are not solely around speed of access but the provision of sufficient bandwidth, software and dissemination tools to transfer significant amounts of information reliably and safely at any time of the day and without incurring great expense.

Our regulatory environment must embrace these changes and we must invest in making digital connectivity a utility, a basic service within our public buildings, town centres, schools, businesses and housing.

### **Investment in Energy**

As with every other area of Scotland, we find ourselves on the cusp of a major energy transition. The way we have produced and consumed energy over the last 100 years is unlikely to prevail through the rest of this century. Due to climate change, scarcity of supply and rising costs, there will be an increasing imperative to find alternative methods of powering our towns and cities.

Falkirk is perfectly placed to deploy the skilled and experienced workforce that has developed around the Grangemouth industrial complex, to use the existing available industrial sites and to leverage the supportive regulatory framework and business support network to create a hub for sustainable and renewable energy

We want to make Falkirk a prime location for sustainability and innovation in energy. We will invest in creating the conditions for innovative

business to locate here; we will ensure that the regulatory environment is welcoming to prospective companies while safeguarding the interests of the environment and our communities. We will work with our local communities, engaging them in development prospects for energy, and ensure that they benefit from the opportunities that can be delivered.

We need to invest now in a sustainable future which looks to build up on the strength of existing industry and enable development of greener, innovative technologies. By finding ways to reduce the costs of processes to allow for greater reinvestment, using less natural resources whether through direct inputs or through energy usage, we can contribute to delivering a more sustainable economy.

We will enable Falkirk's transition to a low carbon, energy efficient economy and lead Scotland in developing sustainable ways to power our communities and business, to heat our homes and schools and to grow our economy

### **Investment in Our Places**

We are committed to transforming our area's economic fortunes and to progress our placemaking to the highest standards. In the first year after opening, Helix Park and the Kelpies welcomed over 1 million visitors to the award winning urban park. This site was a key success of the previous strategy, an example of how ambitious ideas can capture the imagination of people from all over the world and significantly change the perception of an area.

We intend to build upon the momentum that these projects have delivered. We must continue to invest in Falkirk's physical fabric, invest in the spaces where people live their lives to make them pleasant and welcoming, invest in a place that draws and welcomes visitors, promotes a lower carbon, more sustainable future and demonstrates to them the ambition and qualities of the area and its people.



## The Current Position

At Grangemouth we aim to progress an Investment Zone of National Significance. Recognised in national planning terms for its strengths in chemicals, manufacturing and logistics, Grangemouth Investment Zone offers a unique set of opportunities:

- to grow Scotland's chemicals sector
- to create new centres of excellence in industrial bio-technology and energy
- to apply smart technology to assist business processes, enhance infrastructure and sustain resilience
- to promote lower carbon business processes
- to diversify into new business sectors, broadening the area's industrial base and taking advantage of new found tourism potential
- to build on the commitment of the existing business base to expand, enable co-location and develop closer integration

The chemical sector in Scotland has its primary base in the Grangemouth Industrial complex; over a thousand acres of land are dedicated to chemical facilities which include, bulk and specialist production, research and development, innovation and management.

The port of Grangemouth is also located within the Grangemouth industrial complex. The country's largest port handles over 150,000 containers per year and more than 250,000 tonnes of general cargo.

## The Opportunities

Grangemouth can remain the centre of the chemicals industry in Scotland and this current strength can be leveraged to provide other opportunities. We want to see Grangemouth become the prime location for sustainable, renewable technology. Business, partners, a skilled workforce and the support networks are already in place as Scotland and the UK moves towards a lower carbon future. This unique industrial opportunity can be founded upon the area's existing manufacturing and innovation.

There is a greater strategic role that Grangemouth can play. Over £6billion of goods pass through the Port of Grangemouth each year. A proposal for enhanced freight facilities is supported by National Development Framework status and Falkirk/Grangemouth can become a national freight and logistics hub.

We will promote more sustainable forms of transport and modal shift. Distribution by rail is an area where we want to improve uptake, reducing the levels of traffic on roads and providing a lower carbon option for the movement of goods. There is also an opportunity to grow the volume and scale of the traffic through Grangemouth Port with investment in the scale and facilities of the Port - this would allow competition for a greater level of business and reduce costs of importing and exporting goods for Scotland.

There are already a number of key logistics companies and retail distribution centres but the investment plan supported by the Tax Incremental Finance project is bringing over £67m of infrastructure investment to the area. Working with existing businesses, a plan has been developed to increase the capacity of the transport infrastructure, improve journey times and increase reliability.

Key developments include opening of new sites with direct access to the M9 and a £30m project to develop connectivity between the M8 and the M9, reduce journey times and improve access to the Central Belt and the South.

The Grangemouth Investment Zone currently has multi modal access with road, rail and sea connections and is less than 20 minutes' drive from Edinburgh airport - often quicker than travelling to Edinburgh city centre. We need to promote the area with this message that Falkirk is the best connected place in Scotland to locate your business.

## How We Can Work Together

We want to designate Falkirk as the location for innovation in chemicals and new energy. The building blocks exist already in its skilled workforce, the infrastructure and the training facilities.

We will assist industry and academia to grow on-site training facilities within the industrial complex to ensure that the level of training is world-class.

We will join with our European partners to promote the area through official programmes and provide the facilities and opportunities to ensure that a site location decision in chemicals or energy has to consider Grangemouth as a competitive option.

## Grangemouth Energy Project

Integral to the Investment Zone is the development of the Grangemouth energy project. This builds on the requirement to renew the area's energy generation capacity and is examining the opportunities to share heat and power across local distribution networks in the area. The introduction of new models for renewable power generation and supply along with new mechanisms for finance and distribution offers the potential make this one of the most prominent and innovative energy locations in Scotland.

## Falkirk Gateway

We will promote the Falkirk Gateway as a new centre of low carbon futures for the area. This exciting 'place-making' initiative will build on the success of ventures such as the Helix, the Falkirk Community Stadium and the development of the new Forth Valley College Campus. With the supporting investment of the Falkirk TIF initiative it will provide a vital core of enhanced logistics capacity, with a new, integrated infrastructure exploiting the potential of water, energy and digital networks to attract investment in new business technologies and sectors.

The Gateway scheme will progress in a phased programme of delivery, engaging a wide range of partners. Its central themes will be to create new commercial zones for a low-carbon, more sustainable future, enabling new development to take advantage of the site's location, visitor attractions, water and landscape features, green energy supplies and application of smart technologies.

## Chemicals Sciences and Development of Industrial Biotechnology Innovation Cluster

Grangemouth has a nationally significant chemicals cluster with internationally recognised companies. We aim to build on the acknowledged strengths of the chemicals sector in Grangemouth. We will assist in developing the manufacturing of high-value chemical products which promote low carbon solutions using less water, less energy, more renewable raw materials and reduce waste. Working with national bodies such as Chemicals Sciences Scotland and IBioIC (the Industrial Biotechnology Innovation Centre), we will aid the development of new industrial biotechnologies and biofuels to assist the growth of our chemicals and energy sectors.

## Building Smart Resilience: Internet of Things

Realising the investment potential at Grangemouth demands smart solutions in resilience to maintain environmental quality and sustain the protection of the wider community. We will progress new measures to sustain the area's capacity for resilience. This includes working with CENSIS (Innovation Centre for Sensor and Imaging Systems) and other businesses in the development of a sensor shield for Grangemouth utilising 'internet of things' technology to support environmental monitoring and enhance protection of the community.

## Priority Three **Inclusion**



growth  
inclusion  
investment  
opportunity  
change  
future  
innovation  
industry  
promotion

To achieve inclusion is to support all residents in our communities to be able to participate fully in the economic life of the area.

We want to include all in our communities to help access opportunities and make a full contribution to the area's economy.

Developing the fortunes of the area's economy is an essential underpinning in tackling social exclusion. Without jobs and investment, it is impossible to address one of the key underlying causes of social exclusion - poverty.

As with social mobility, poverty is a root cause of exclusion. The work to address this therefore must start as early as possible, through education. We need to ensure that our young people are supported in their aspirations and given the tools and opportunities to achieve them. Falkirk has undertaken a process of renewal of its secondary schools stock, completing its programme of renovation in 2009. Our commitment to ensuring that educational facilities remain of the highest standards must be a key plank in any inclusion strategy.

Falkirk's labour market has strengthened significantly in recent years as evidenced by the falling headline unemployment rates which have returned to pre-recession levels. However, longstanding structural issues still prevent Falkirk residents from progressing to employment. These include multiple barriers such as disability, low skills, health conditions etc. Progression to employment overcoming these barriers can sometimes be characterised by low pay and insecurity leading to under employment and in-work poverty.

Falkirk Council's vision is that work should improve people's lives and this means moving away from low pay and low skill models to an economy based upon skilled, higher wage jobs that will support resident's aspirations, tackle inequality and support employers to adopt the principles of Fair Work.

### Case Study **Employability Toolkit**

The Employability Partnership has prepared a new toolkit to help businesses to find new staff to help their business grow. Research has shown a need for this type of support and the free guide takes new and first time employers through the various stages involved in employing staff and gives them the tools to do it successfully.

The guide covers best practice in recruitment procedures; the costs involved in recruiting and provides templates and forms to speed the process. Details at:  
[www.falkirk.gov.uk/employersupport](http://www.falkirk.gov.uk/employersupport)

## Attainment

It is noted above that the levels of school leavers taking up higher education remains lower than the national average. There is an opportunity here to grow this cohort; we must strive to make our young people equally prepared to take on vocational training, work, higher or further education.

We will continue to focus on supporting the prospects of our young people through education, employment and training. Links with Forth Valley College and other providers of higher and further education are vital. We will take a holistic approach to address the attainment gap and aim to bring the levels of students progressing to higher and further education in line with the Scottish average.

## Tackling Barriers

But our focus will not remain solely on our young people - many existing programmes are concentrated on alleviating the barriers to work for 18-24 year olds however, to achieve our vision we must ensure consistent support across all age groups. The challenges in access to employment vary across groups of age, gender and other characteristics. Only through a universal programme will we address unemployment as a root obstacle to inclusion. We must also work to prevent in-work poverty and address barriers to full participation in the workplace. We will work with employers locally to remove barriers to inclusion, improving prospects for employment and opportunities for disadvantaged groups.

## Promoting Employability

The key avenue to addressing these issues lies in strong partnership between several layers of the public sector, industry and community. Through our Local Employability Partnership, partners including the Council, Skills Development Scotland, Job Centre Plus, DWP and others work closely together to ensure a coordinated approach. The level of apprenticeships in Falkirk has grown ten-fold over the last ten years as the result of a concerted approach to improving the ability of young people to enter the workplace and the outcomes for the employers who take them on. We will reinforce the strong linkages between local and Scottish Government and maintain a resilient Local Employability Partnership bringing the support and experience of industry specific sector skills councils to bear in terms of future skills development

The work in developing skills to support inclusion can be directly linked to efforts to promote growth and investment in this area. Developing a skilled workforce is a key plank to delivering the conditions for business growth and inward investment. The pipeline for skills must mirror the projected areas of growth and development in the economy to give residents the best possible chances of taking advantage of investment in growth sectors such as chemical sciences, logistics and tourism.

## Growing Skills in the Workforce

An equally important strand to the three priority areas is the continuous development and of the existing workforce. The local employability partnership must be alert to ongoing needs for development and sufficiently responsive to help deliver targeted interventions where necessary. However, education does not limit its impact to the world of work. Schools and Colleges offer community hubs providing the tools to bolster literacy, numeracy or modern languages and technology and arts courses to enrich their own lives and those of their families.

## Social Enterprise

We must look to many of our social enterprises to find new ways of approaching employment. There is a strong social enterprise culture in Falkirk but we want to develop this further. Social enterprise is required to bridge an important gap in our economy and can exploit opportunities in fields such as health and social care, tourism and the environment. Promoting social enterprise can be extremely beneficial for our communities as a way to provide services such as cafés or youth facilities that would not exist otherwise. We will work with social enterprises to foster their contribution to the area's economy.

## Employing disabled people

Inclusion is about providing a level of opportunity for all of our residents and targeted support to those who require it most. Employment for residents with learning disabilities or physical impairment can often be difficult to find. The recent success in the establishment of the Haven PTS factory and centre of excellence in training for people with disabilities has shown the full contribution that disabled people can make in the workplace. We aim to help sustain and grow the opportunities arising from Haven's establishment in the area. We will develop the skills pipeline of support for people with disabilities and work with employers to grow the job opportunities presented that disabled people can access.

## Addressing poverty

We want to create the conditions to develop enterprise that can deliver well-paid, sustainable jobs which recognise the importance of work-life balance and provide not just work but development opportunities for people. However, the issue is not solved solely by access to employment.

We know that many people in work still experience poverty. Low wages are a specific concern, particularly for women and we will work with employers to encourage good employer practice seeking to enhance wages and conditions enabling people to avoid becoming trapped in a cycle of deprivation. In order to fully participate, there must be access to financial services and other instruments of the economy - we must advocate on behalf of our residents to ensure these services are available.

Fuel poverty is a particular focus and through the Grangemouth Energy Project we aim to develop a pilot scheme to address residential fuel poverty for development across the area.

At the heart of inclusion is the aim to tackle the enduring barriers to entry into the market that have impaired our communities and to create the conditions for each one of our residents to meet their full potential. The actions in this strategy will complement the actions of our partners in the fields of deprivation, health, education and culture to enable enhanced opportunities for all.

## Case Study Haven PTS

Haven PTS, a supported business established a new £5m factory operation at Central Park in Larbert in 2014. The factory delivers three business operations, manufacturing of protective clothing, production of signage and document management. They employ 100 disabled people and have established a Centre of Excellence in training provision to enable disabled people to access the workplace.

# Delivering the Economic Strategy



Our strategy for Falkirk's economy and for the delivery of the Grangemouth Investment Zone is ambitious. As an outcome of this work we anticipate:

- a stronger, more resilient and diverse business base
- increased productivity, with our area making an increased contribution to Scotland's economy
- increased job creation in sectors and with skills that meet the needs of a globally competitive economy
- growth in new sectors with clusters of innovation and excellence
- increased innovation capacity and application of new, lower carbon technologies
- increased investment, particularly in the Grangemouth Investment Zone, contributing to the area's economic development
- development of the area's skills base
- town centres that are thriving and resilient to the challenges of online and out-of-town retailing
- enhanced skills levels amongst our workforce, well-attuned to the needs of business
- opportunities for all to benefit from the area's economic growth

By working in partnership we will establish an action programme to progress the activities proposed in this strategy, enabling contributions to be made by all partners. This will coincide with work to monitor our performance in helping to realise these intentions, reporting regularly on progress to partners, business and other stakeholders.

In order to reflect changing economic conditions, the Economic Strategy is being delivered as a dynamic document that will be updated regularly to take into account movements in the local economy and in the capacities of each partner to deliver.

A review will be carried out after 5 years to ensure that the Economic Strategy remains valid and relevant. It is expected however that a process of regular monitoring via the Council and the Falkirk Economic Partnership takes place to ensure that the document remains up to date and reflective of the wider economic situation.

On-going monitoring will allow us to measure progress against stated aims. Taking each of the three priority areas in turn, the targets for each priority are summarised below:

## a) Growth targets

- Increased number of growth and start-up business supported by Business Gateway
- Improved availability of premises and land for expansion and growth
- Links developed between education and business to introduce a culture of innovation
- Increased proportion of skilled workers in the workforce
- Increased proportion of local products being exported

## b) Investment targets

- Completion of the TIF investment programme
- Delivery of investment for key projects
- Secure Grangemouth's place as a key centre for the Scottish economy
- Deliver an innovative energy project to reinvigorate Grangemouth and future-proof new developments including the Falkirk Gateway

## c) Inclusion targets

- Increase positive destination figures for school leavers
- Increase numbers participating in higher education
- Increase the proportion of disabled residents in work
- Reduce the proportion of Falkirk residents experiencing in-work poverty

Setting the level and capacity for delivery against these targets will be contingent on identifying the financial and other resources available from the Council and its partners in the public, private and third sectors. This will include the need to take into account budget decisions to be made by the Council and its partners.





Falkirk Council

[www.falkirk.gov.uk](http://www.falkirk.gov.uk)

[www.investfalkirk.com](http://www.investfalkirk.com)